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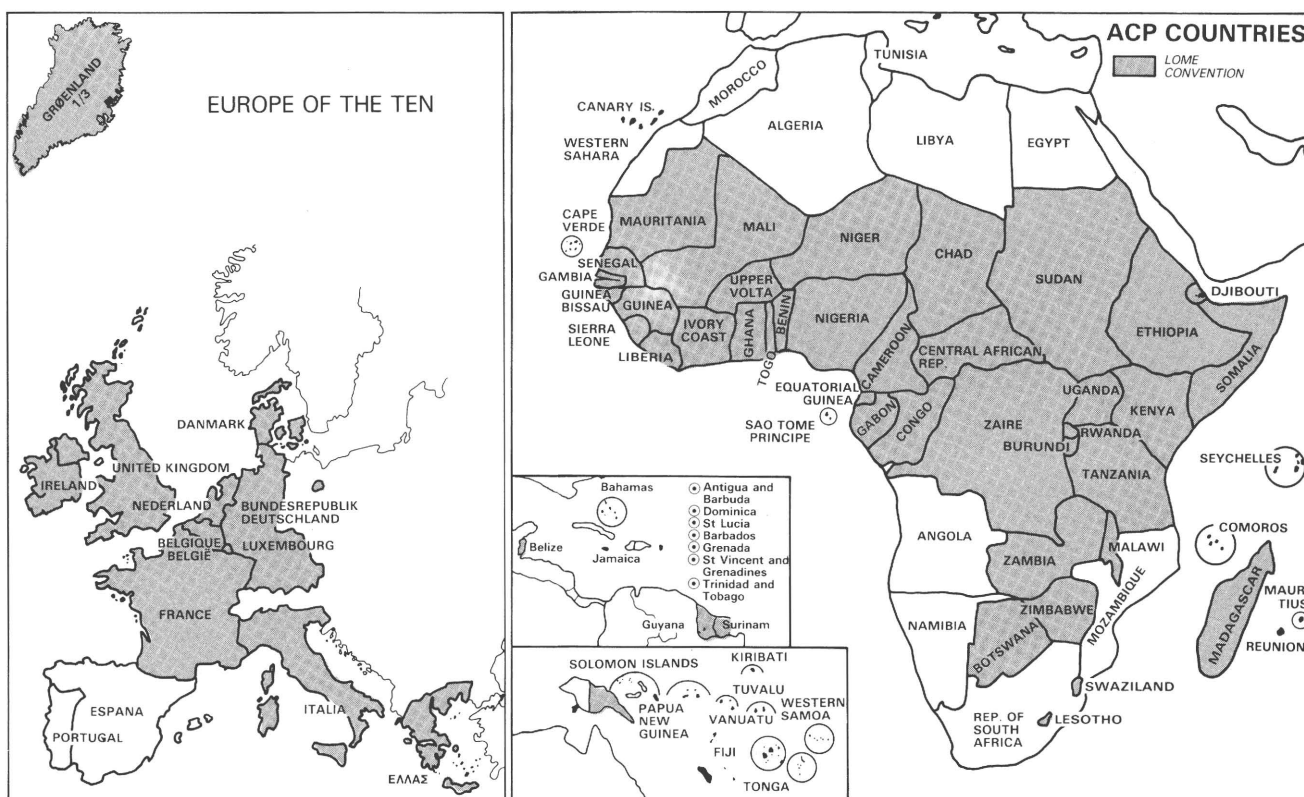
BANANAS

THE EUROPEAN COMMUNITY

BELGIUM
DENMARK
FRANCE
GERMANY
(Federal Rep.)
GREECE
IRELAND
ITALY
LUXEMBOURG
NETHERLANDS
UNITED KINGDOM

THE ACP STATES

ANTIGUA AND BARBUDA	GRENADA	SENEGAL
BAHAMAS	GUINEA	SEYCHELLES
BARBADOS	GUINEA BISSAU	SIERRA LEONE
BELIZE	GUYANA	SOLOMON ISLANDS
BENIN	IVORY COAST	SOMALIA
BOTSWANA	JAMAICA	SUDAN
BURUNDI	KENYA	SURINAM
CAMEROON	KIRIBATI	SWAZILAND
CAPE VERDE	LESOTHO	TANZANIA
CENTRAL AFRICAN REPUBLIC	LIBERIA	TOGO
CHAD	MADAGASCAR	TONGA
COMOROS	MALAWI	TRINIDAD & TOBAGO
CONGO	MALI	TUVALU
DJIBOUTI	MAURITANIA	UGANDA
DOMINICA	MAURITIUS	UPPER VOLTA
EQUATORIAL GUINEA	NIGER	WESTERN SAMOA
ETHIOPIA	NIGERIA	VANUATU
FIJI	PAPUA NEW GUINEA	ZAIRE
GABON	RWANDA	ZAMBIA
GAMBIA	ST. LUCIA	ZIMBABWE
GHANA	ST. VINCENT & GRENADINES	
	SAO TOME PRINCIPE	



FRANCE

(Overseas departments)

Guadeloupe
Guiana
Martinique
Reunion
St Pierre and Miquelon

(Overseas territories)

Mayotte
New Caledonia and dependencies
French Polynesia
French Southern and Antarctic Territories
Wallis and Futuna Islands

NETHERLANDS

(Overseas countries)

Netherlands Antilles
(Aruba, Bonaire, Curaçao, St Martin, Saba,
St Eustatius)

UNITED KINGDOM

(Overseas countries and territories)

Anguilla
British Antarctic Territory
British Indian Ocean Territory
British Virgin Islands
Brunei
Cayman Islands
Falkland Islands and dependencies
Montserrat
Pitcairn Island
St Helena and dependencies
St Kitts & Nevis
Turks & Caicos

This list does not prejudice the status of these countries and territories now or in the future.

Cover: Bananas and sugar are the two main agricultural exports of Jamaica (photo). The banana sector in particular has been in continual decline and has lost its leading place on the British market (Photo: John & Penny Hubley, EDF)

ACP-EEC — Gabonese ambassador Martin Rekangalt reviews the main issues that have arisen during his six-month chairmanship, up to the end of February, of the ACP ambassadors' committee. Euro-MP Michel Poniatowski looks ahead and gives a personal view of the new Convention, for which negotiations are due to start in September. And James O'Neil Lewis, ambassador of Trinidad and Tobago in Brussels for 10 years until his recent departure, looks back over a decade of ACP-EEC diplomacy. **Pages 2-10**



Uganda — The former "pearl of East Africa", once one of the continent's most developed countries, is struggling to recover from the decade of destruction and distress caused by the bloodthirsty regime of Idi Amin. In a series of articles, the *Courier* looks at the damage, which was compounded by the war of liberation, and the efforts being made to restore peace and prosperity. **Pages 11-25**

Zaire — Zaire, one of the world's biggest countries, has considerable natural resources and a dynamic population. But a sense of national purpose is needed if it is to realize its potential power and become a great nation. The major revision of economic policy at the end of 1982 is a reflection of such a sense of purpose, as President Mobutu and the First State Commissioner (prime minister) explain. **Pages 26-54**



Court of Justice — The Court of Justice is the least well known of the four main institutions of the European Community. That may be due to the internal nature of its dealings, but they are not solely confined to the EEC member states, as judge Pierre Pescatore points out. Yet the principal function of the Court is to interpret the treaties which established the EEC and constitute the legal basis of its workings from day to day. **Pages 59-61**

Dossier — The familiar banana may seem to have been with us since the dawn of time, yet this most popular fruit has undergone something of a revolution since the big multinationals introduced modern methods of production, wrapping and transport. They now dominate the banana trade and the ACP countries are facing considerable difficulties in catching up; without protected access to EEC markets, the ACP banana exporters could collapse. **Pages 64-93**



THE COURIER

**AFRICA - CARIBBEAN - PACIFIC
— EUROPEAN COMMUNITY**

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Commitment and realism

by Martin REKANGALT(*)

The committee of ACP ambassadors has, over the past six months, been faced with a heavy programme, principally the result of the meeting held in Libreville in May, of the ACP-EEC Council of Ministers. The most pressing problem has been the allocation of Stabex resources in response to the various applications, only 42 % of which could be met, a fact which underlines the urgency of the ACP request for a special meeting of the ACP-EEC Council in October to discuss Stabex.

Other business demanding urgent attention concerned the preparation of the meetings, in November, of the ACP-EEC Joint Committee and the ACP-EEC Consultative Assembly. These meetings provided a good opportunity not only to examine closely the 1981 annual report of the ACP-EEC Council but also to analyse the experience gained during Lomé II, which, in certain important respects, has not been to the entire satisfaction of the ACP states.

On the occasion of the meetings, the ACP states, which have become increasingly concerned at the lack of real progress on the question of their products, took the opportunity of having consultations with the director-general of the FAO, the outcome of which was that the ACP states will probably, during 1983, receive support in connection with the forthcoming ACP-EEC negotiations.

ACP-EEC cooperation is now a vital fact. The ACP states represent half the developing countries and the EEC is the world's largest trading block. The GATT ministerial meeting on international trade policy, held in Geneva in November, was therefore an occasion of essential importance for the ACP states and the EEC alike.

As was agreed in Libreville, the two parties have sought to ensure effective coordination in the presentation of their mutual concerns with regard to the treatment given to ACP products on the Community market.

Effective cooperation between the ACP states and the EEC demands in practice a spirit of cooperation not

only in the ACP-CEE Council but also in all the other ACP-EEC institutions. This fact must be fully grasped in order to avoid in future situations such as the adjournment in December of the meeting of the ACP-EEC committee of ambassadors, due to disagreement over the desirability of an exchange of views on the treatment of ACP students and nationals residing in the member states of the Community and on the inclusion of this item on the agenda.

It is not possible for any matter which impedes cooperation between such supposedly special partners to be excluded from their regular consultations. However, the fact must be welcomed that, despite the time lost, a consensus has been reached finally



Martin Rekangalt

on including the item in question on the Joint Committee's agenda. It must be hoped that a solution satisfactory to both sides can rapidly be found at the appropriate level.

The Commission plays a leading role in the process of cooperation between the 63 ACP states and the EEC, and the widening and interpretation of contacts have provided an essential stimulus in that process. A question receiving very special attention is that of the EEC's support, in this context of the ACP states' development strategy, with a view to establishing, organizing and diversifying the production structures of each ACP state. These structures of pro-

duction must provide the basis for a suitable integrated economic method permitting the achievement of self-sufficiency, particularly in food production.

The ACP representatives in Brussels have also been particularly encouraged by the visits paid by political leaders to ACP House, for example the visit in September by Desmond Cartey, Trinidad and Tobago's industry minister, and those at the time of the meeting of the Council of ACP Ministers (13-15 December 1982). The Council discussed not only internal ACP matters, such as the operating budget and the situation of the ACP secretariat, but also progress on the subject of a successor agreement to Lomé II.

On the same occasion the Council roundly condemned the recent murderous incursions by South Africa in southern Africa, in particular against Lesotho.

Since the establishment of the ACP group, under the Georgetown Agreement of 1975, and the adoption in Suva (Fiji) of an action programme aimed at autonomous development based on cooperation, the ACP states have striven to develop intra-ACP cooperation, within the context of strengthened subregional, regional and inter-regional cooperation, in trade, transport and communications, production, development financing, technical assistance, transfer of technology and know-how, culture, science and information. This desire for cooperation was particularly evident at two meetings held at the end of last year: one, in Brussels, on the transfer of technology, and the other, held in Addis Ababa in December, on the development of air transport services between the ACP states.

An urgent problem to which ACP states must address themselves is the capacity of their own institutions to assume the responsibilities for which they were created. This concern will become more pressing and will be voiced more and more, given that the principles of self-sufficiency and intra-ACP cooperation are gaining importance and are being increasingly translated into reality.

This issue is of relevance for the future, but at this moment there are more pressing issues such as the application of the second Lomé Convention and the negotiation of its successor.

(*) Chairman of the committee of ACP ambassadors and ambassador of Gabon in Brussels.

New guidelines for Lomé III

The need to define targets

by Michel PONIATOWSKI (*)

At its session in December, the Council of ACP Ministers embarked on serious discussions on the basic principles and position to be adopted by the ACP states in the eventuality of a new Convention to be concluded with the EEC. The future development of the 63 ACP states and their 300 million inhabitants has until now been considered to be closely linked to that of the 260 million inhabitants of the European Community's 10 member states.

This assumption has occasionally been put to the test in the context of the Lomé Convention. Future relations will depend on the real impact on the economies of each of the parties and of each country concerned and on judgements passed on this experience. Any agreement which, over the course of time, does not contribute effectively and significantly to the development of the countries involved could not be justified at internal level or in the context of a wider international community.

The European Community, as currently constituted or in its enlarged form, is of course aware of the eminently historic nature of its relations with the ACP states. These relations are at present at a critical stage, requiring considerable efforts to increase substantially the means of cooperation and adapt them to new requirements and new situations.

The special nature of these relations depends on the place accorded to ACP-EEC cooperation, not only in texts and speeches but in reality, within the EEC's overall development cooperation policy.

It is essential for ACP-EEC cooperation that thoughts should be turned this year, in particular at UNCTAD VI in Belgrade, towards broader North-South cooperation. The ACP states and the Community together represent half the nations of the world; after the disappointments of the recent GATT ministerial meeting, it remains for ACP-EEC cooperation and UNCTAD VI to make a valid contribution towards the efforts necessary for a reactivation of the world economy.

Aware of these responsibilities, the ACP states and the EEC must be ready to play their part with perspicacity and determination. It is therefore time to buckle down to this task without delay and with a sense of drive and realism. ○ M.R.

Of all European policies, the one most urgently in need of reform and at the same time the most vital is the policy on cooperation and development.

For humanitarian reasons: a fifth of the world's population is unable to obtain the calories it needs and despite the considerable progress which has been achieved in isolated areas, the overall situation is steadily deteriorating. Twenty years ago there were 300 million men, women and children who were seriously undernourished; now there are 450 million. The World Bank estimates that there could be 700 million by the year 2000.

For economic and financial reasons: raising the standard of living and increasing demand in the Third World are essential for the economic recovery of the Western world which is currently out of phase as a result of the developing countries' excessive debt burden.

For political reasons: the permanent instability of certain areas of the Third World, the possible collapse of certain regimes, the risk of seeing some of them veer towards the East are all factors which jeopardize world stability and even the security of Western democratic regimes.

How can we hesitate when generosity, our own interests and political imperatives point in the same direction?

In these times of economic stagnation, any new policy towards the Third World should have the understanding and support of public opinion in our countries. The effectiveness of Community aid and the new guidelines for EEC policy in this field should therefore be clearly underlined, particularly since negotiations on the renewal of the Lomé Convention open in September 1983.

(*) Chairman of the European Parliament's development committee. In this article, Mr Poniatowski expresses his personal view of the perspectives for "Lomé III".

A progressive policy

Europe has always tried to be in the forefront on matters concerning cooperation and development and some of its initiatives could serve as an inspiration for the North-South dialogue as a whole.

Diversity of aid

Community aid is primarily concerned with Lomé the oldest and most elaborate sector which began with the determination of eighteen newly independent African countries to replace their colonial links with various member states by an agreement negotiated with the Community. Today, Lomé represents a total of 330 million inhabitants from 63 African, Caribbean and Pacific countries. When we speak of Lomé we mean first and foremost the continent of Africa. The Convention links the Community with the whole of Africa south of the Sahara with the exception of South Africa, Namibia, Angola and Mozambique. It should be pointed out that the latter two countries have indicated their intention of taking part in the forthcoming negotiations. Its financial instrument is the European Development Fund (EDF) and it is funded directly from the budgets of the member states. The fifth EDF, which is valid for five years, has financial resources of ECU 5 300 m.

The Lomé Convention is supplemented by food aid (which currently accounts for 30% of all EEC resources paid to the Third World), financial and technical aid to non-associated developing countries, emergency aid which corresponds to a duty to show solidarity with the victims of natural catastrophes, participation in the financing of projects carried out by non-governmental organizations, aid to promote trade and for regional cooperation etc.

This time, all these forms of aid will be financed directly from the EEC budget.

The diversification of instruments has been in line with greater geographical diversity.

Community financial aid, which was concentrated almost entirely on Africa in the early 1960s, is now distributed 65 % to Africa and 35 % to the rest of the world. By comparison, Africa's share of bilateral aid from the member states is of the order of 45 %.

Total financial resources

In 1981, the Community earmarked ECU 1 600 m for cooperation and development in the Third World under the budget and the EDF.

This is equivalent to 7.5 % of the Community budget in addition to the commitments from the EDF in 1981 (ECU 702 m) or roughly 10 % of total Community aid (EEC and member states) which is equal to 0.05 % of their combined GDP or 50 % of the total aid granted by the OECD countries.

In 1982, ECU 2 100 m are due to be earmarked for cooperation and development or 8.5 % of the Community budget in addition to the 1982 tranche of the EDF which amounts to ECU 1 069 m.

Aid granted specifically by the Community is complemented by bilateral aid from the member states. The EEC, with the exception of the Netherlands and Denmark, has not yet reached the collective objective of 0.7 % of GDP. However, it is approaching this figure with 0.52 % in 1981. It should be noted in this connection that Europe is assuming its responsibilities in the North-South dialogue more adequately than the two superpowers:

EEC	0.52 % of GDP
USA	0.20 % of GDP
USSR	0.15 % of GDP

How effective is this aid?

In view of the volume and diversity of the resources available we have good reason to question the effectiveness of Community aid in relation to the three basic problems facing the Third World today:

- the food situation;
- the stabilization of the cost of raw materials;
- the level of trade.

The food situation

According to the FAO, total food production in the developing countries increased by 29 % between 1970 and 1979 but populations growth reduced this increase to 5 % per capita and in Africa there was an average decrease of 9 % (20 % in some countries).

Whereas 40 years ago Asia, Africa and South America exported basic food products, they are now forced to import them. For example: the cereal import requirements of the developing countries should reach 200 m tonnes by the year 2000 as against 80 m tonnes in 1979 and 25 m tonnes at the beginning of the 1960s.

The cost of these imports has quadrupled. How can you pay for this food when you are amongst the world's poorest countries, when you have insufficient quantities of raw materials or manufactured goods to be sold in exchange, when the country's meagre national resources are spent almost entirely on buying imported oil which is vital for transport, heating and even lighting? Should you import food or oil?

This explains the growth in demand for food aid which continually outstrips supply. The industrialized countries have decided to increase food aid to 10 m tonnes of cereals per year but the FAO estimates that world needs could rise to 18 m tonnes between now and 1985. It will be some considerable time yet before the least-developed countries are able to do without food aid; nevertheless food aid has often come under attack.

It is used primarily to provide supplies for towns and thereby to reduce cereal prices. It can lead the farmer to turn away from certain crops, create problems of familiarization, change eating habits and could eventually jeopardize attempts to achieve self-sufficiency.

Stabilization of the price of primary commodities

Europe contributes to the search for a solution to the slump in raw material prices through the sugar Protocol which enables the ACP states to deliver 1.3 m tonnes of cane sugar to the Community each year at guaranteed prices and through Stabex. However, it cannot improve this situation unassisted. It should be noted that at world level, the common fund for the stabilization of the cost of raw materials which was to be set up following a decision taken at UNCTAD IV in Nairobi has still not entered into force. The international negotiations for agreements on individual products (rubber, tin, cocoa and sugar) have also reached deadlock. We must therefore consider the effectiveness of Stabex whose current resources are insufficient to enable it to meet the demands for repayment from the ACP states

(less than 40 % of the total amount) in the light of the knowledge that Stabex transfers are only partly used to combat crises affecting specific products and are most often used to bolster the balance of payments of the recipient countries.

Level of trade

Generally speaking, the Community is the developing countries' main trading partner. Imports of manufactured products from the developing countries accounted for 1.35 % of the Community's GDP in 1980 as against 1.13 % in the USA and 0.58 % in Japan (even in the case of textiles, the Community quotas are twice as high as those of the United States or Japan).

The EEC is also still the main market for the developing countries' agricultural exports having absorbed almost 30 % of the exports from those countries between 1972 and 1978. Agricultural imports from the developing countries per capita total \$104 in the EEC, \$53 in the USA and \$49 in Japan.

More specifically as regards the ACP states, the Community has opened its market to 99.5 % of their products. However, initial results obtained under Lomé II show that this is not enough to produce an appreciable increase in the flow of trade from the ACP states to the Community. The latest statistics show all too clearly that trade relations are developing at the expense of the ACP countries.

If we consider the development of trade to 1980, excluding petroleum products, it appears that the ACP countries' share of the imports of third countries has been dropping since 1977 (1977: 7.1 %, 1978: 6.2 %, 1979: 5.5 %, and 1980: 5 %).

On the other hand the value of Community exports to the ACP states rose from ECU 15 700 m in 1980 to ECU 18 000 m in 1981 so that the balance of trade has gone from a surplus of ECU 3 200 m in favour of the ACP states in 1980 to a surplus of ECU 1 700 m in favour of the Community in 1981.

This development has led some of the Community's partners to say that Europe has taken more than it has given.

New guidelines

Priority for Africa

The massive economic growth which we have experienced over the

last thirty years but which we are no longer experiencing today has been distributed very unevenly around the world. Economic growth has been particularly slow in the poorest countries. This means that disparities will continue to increase between industrial and non-industrial countries and amongst the latter between those who are in the early stages of an upturn and the rest. There is no more unity in the Third World in the field of economics than there is in the field of politics. The annual report of the World Bank makes the following forecast: roughly fifty countries will continue to rely almost exclusively on official development aid in order to make progress.

A number of Europe's regular partners fall into the category of the least developed countries. Most of them are in Africa. The current population of the continent is 400 million and it will be 800 million by the end of the century. Africa's population will be the last to stabilize; it is the only region where population growth shows no signs of slowing down.

At present, Africa is self-sufficient for just over 80% of its food requirements but if things continue as they are, its level of self-sufficiency will drop to 70% in the year 2000.

The resources of the EEC do not enable it to provide assistance for the giants of the Third World such as China or India. Community aid should not be too widely dispersed or peppered around the world. Africa and, in more general terms, the ACP countries will remain Europe's privileged partners for historical, political and cultural reasons. This does not mean that we should cut off aid to Bangladesh. Food and emergency aid programmes have enabled us to disperse aid extensively but the needs of Bangladesh are not the same as those of the ACP countries. We must not alarm Africa by extending aid too widely. The memorandum by Mr. Pisani also refers to a framework convention of indeterminate duration. The idea is debatable as it would prevent negotiations between the EEC and the ACP countries and reduce our capacity for a flexible response made essential by the economic crisis and developments worldwide.

Aid for campaigns to eliminate hunger

The empirical development policy so far pursued by Europe has not produced the results expected of it. Europe has carried out major projects for

the Third World—dams, roads, factories ready for use—and has provided it with food aid. However, it is no longer enough for Europe to spend money, to give preference in allocating Community funds to specific projects defined by consultancy bureaus and to carry them out irrespective of the economic situation.

We have too many engineers on site and not enough workers. In future, Europe must concentrate its efforts on rural development to ensure that the poorest countries are self-sufficient as regards food supplies. In order to do this, we must help them to apply specific models and to exploit their human potential to the full. In this way, migration away from rural areas, another scourge of the Third World, can also be slowed down or even stopped.

Greater concentration on basic projects, micro-projects, should be organized according to a new method.

The Community should no longer be content to be a 'donor' but should become a genuine 'partner in developing food strategies' whose objectives include improved coordination of international, Community and national aid.

We must seek to introduce a dialogue centred on a policy laid down under the supreme control of the recipient countries but which has the commitment of both partners. Experimental systems of this kind have been introduced in three African countries and others are under consideration. Results obtained by some Asian countries for self-sufficiency in food show that spectacular progress can rapidly be achieved if the parties concerned know how to mobilize their forces and break out of the mentality of being perpetually in need of aid.

A European development bank

We need a worldwide financial system which will enable the Third World to shoulder its debt burden without jeopardizing its development.

It is interesting to note that twelve major borrowers amongst the developing countries together account for roughly three-quarters of the Third World's debts (\$ 530 000 m in 1981). These are, with the exception of India and Pakistan, the 'intermediate income' countries (Mexico, Brazil, South Korea, Algeria, Indonesia, Argentina, Venezuela, Egypt, Iran and the Philippines) the majority of which have un-

dergone rapid industrialization over the past few years and whose exports have suffered as a consequence of the economic crisis at a time when high interest rates are increasing their debt burden.

A reform of the international monetary and financial system should appear on the agenda of the global North-South negotiations and should be one of the central topics. It is well known that the United States is currently opposed to this idea.

The Community should set up its own European development bank in anticipation of discussions on this matter at world level.

The new financial body could take the form of a specialist subsidiary of the European Investment Bank, which until now has been operating like an ordinary bank, or of an ACP-EEC bank with the EIB and many other commercial banks contributing to its capital as shareholders. The new terms of reference thus created and the banking networks brought into operation should be enough to solve the serious problem of the ACP countries' access to foreign currency and to assist them in developing trade relations for products outside the traditional range.

The multilateral cooperation system is in a state of crisis. Not even the lavish summit conferences in Cancun and Versailles could break the impasse affecting the Third World countries.

The hope inspired by these two meetings has been held in abeyance for a considerable time pending the organization of a genuine North-South dialogue and global negotiations. We must bear in mind the difficulty involved in such ventures, precisely because of their global nature, and we must provide elements for a response at all levels wherever possible.

The Community, for its part, should attempt to bring greater clarity and depth to this area to enable it to respond to the needs of a new international situation, the needs of its partner countries and the call of its own conscience. Europe should be able to assert its identity more forcefully in international organizations and particularly in financial institutions where we contribute to the finances without obtaining the influence which would lead to better coordination of our efforts. We must create the conditions for further development or risk seeing the crisis facing the world deteriorate in economic and political terms to a point where an acceptable solution is no longer possible. ○ M.P.

Ten years in ACP-EEC diplomacy

James O'Neil Lewis, formerly Trinidad and Tobago's ambassador in Brussels

In early January, James O'Neil Lewis, the doyen of the ACP ambassadors to the EEC, flew to the USA on a new assignment, representing his country's interests in Washington. In Brussels he will be succeeded by Maurice St John. Appointed ambassador to the EEC in 1973, Mr Lewis's experience of EEC-related affairs in fact goes back to the early 1960s. Having been a judge on Trinidad and Tobago's industrial court, he was also an active member of the advisory council of the Centre for Industrial Development. He has always been a keen defender of the Caribbean point of view — "Europe fragmented us in the Caribbean islands, and now brings us back together"—and, by extension, of the idea of intra-ACP cooperation.

Looking back over a decade of ACP-EEC relations, he has mixed feelings. His conclusion: "Both groups of countries should show the courage of their convictions". His departure again diminishes the small handful of ACP representatives—people like ambassadors Sy (Senegal), Chasle (Mauritius) and Wilmot (Ghana)—who know more about the history of the ACP group than is to be found in records. His many friends in ACP and EEC circles will regret the departure of "Scottie" O'Neil Lewis. His wisdom and experience, shown so many times during the negotiations and implementation of Lomé I and II, will be missed all the more as the ACP and EEC teams limber up for the negotiations ahead.

"A modus vivendi with former colonial powers"

► *How do you look back on almost 10 years of ACP ambassadorship?*

— I must say it is with very mixed feelings that I look back on a period of intense activity, and one that I regard as important in the lives of the people of the 63 countries which now constitute the ACP group. We had the great privilege of participating in an experiment in international affairs. When we began the first negotiations in 1973-74, we all thought they would lead, if not to a new international economic order, then certainly to a model for such an order. Now, halfway through the lifetime of the second Lomé Convention, one can wonder whether the original hopes and aspirations have been achieved, whether they were ever in fact capable of being achieved.

Perhaps some of us attach too much importance to that experiment, in that it was providing an opportunity for a new linkage, never known

before in international affairs, between a large number of former colonies and a group of industrial developed countries which included some of the colonial powers. We then thought it was an experiment that could show the world it was not necessary to be aligned to one or other of the two major blocs; that one could have a modus vivendi with former colonial powers that we could respect and that the world could respect. I'm not too sure now, looking back, whether we are yet in sight of a successful achievement of these aspirations.

There have been moments of great satisfaction for me as an ambassador. There have also been frustrations and disappointments, and the feeling that our hopes and aspirations were not always fully shared by the Community; that when the wind of economic difficulty blew through Europe, the Community covered itself with its blanket of protectionism. That made it difficult for the EEC countries to realise the goal they had set themselves in the first negotiations. That is a cause for disappointment, especially for the Caribbean countries. I

say especially because I had the privilege of coming here as early as 1961 to talk with Mr. Deniau, then the EEC development commissioner, and with Jean Rey. Together with two colleagues from Jamaica, Billy Powell and Roy Collymore, we had a discussion in which we pointed out the problems of the Caribbean, and the role we thought the Caribbean could play as a sort of interface between West Europe and the rest of the Western world.

The Caribbean as Atlantic frontier states

I returned to Brussels with our late Prime Minister Dr Williams in 1962, when Trinidad and Tobago became independent. My country was in that year the only Commonwealth member that came out in favour of Britain joining the Community. When we arrived here we were warmly received by Dr Hallstein, then President of the Commission. Dr Williams set out Trinidad and Tobago's reasons for wanting to link up with the Community. I know it is customary now to refer to the Caribbean islands as the backyard of North America, but he didn't see it that way. He saw them as the Atlantic frontier states linking Europe, West Africa and North America. In that context he saw the Caribbean as interpreting the New World to the Old and vice versa. Geography had placed us in the Caribbean, but history gave us links with Europe and the rest of the Western hemisphere, and we thought those links were important to maintain and develop if we ourselves were to retain our identity as Caribbean people.

So it is against that background I was sent back here in January 1963 as a special representative of the Prime Minister. Although without diplomatic status, I was treated as an ambassador, and I used to attend the meetings at the British mission. The British negotiating team was headed at that time by Edward Heath. Commonwealth representatives met quite often at the British mission and we raised all the points that we thought ought to be discussed by the British in their negotiations with the Community: what was to happen to sugar, what was to happen to bananas, to citrus and to

other commodities like cocoa, coffee and so on. Those problems existed then; some, ironically, still exist. Heath used to say to me: "Oh Trinidad, don't worry, when we get in we'll change a number of things and you don't have to fear". Well, Britain did not get in, and when the negotiations broke down in 1963 I was called home. So the problems we thought would have been resolved were not resolved; they reoccurred, of course, in 1973, when we started negotiating Lomé I. Nonetheless, in the run-up to those negotiations in 1973, the British had secured, at our insistence, certain assurances with respect to countries dependent upon agriculture, particularly on sugar.

The same problems remain

It has been a source of some disappointment to find that those very problems still exist in 1983. They haven't been solved. Sugar is still a problem, difficulties still arise over a number of commodities, the problem remains of trade and access to the EEC market. It is true that we have access for a large percentage of our exports, but those are essentially the same exports as we had in 1973. When the market value of those exports declines, although we have the access, the value of those exports diminishes. I put this down in part to what I call the economic satellite relationship that was inherent in our colonial status. We were producing things which the metropolitan powers could not economically produce; the whole structure of our economy was geared to that objective. Nothing really has changed since then. One sees the effect of it in the Stabex arrangement. The same three or four products each year have to obtain the largest transfers. The same set of countries each year seek the largest number of transfers.

People say to us, "why don't you restructure your economy?" I think Mr Pisani has that idea in mind, that we should seek to restructure: if sugar is not profitable any more, we should get out of sugar. Yes, of course that's good economic sense. But there is a social aspect to it. What do you do in the meantime—while the restructuring and the transition is taking place—what do you do with the people who are working in those industries that will be restructured, sometimes restructured out of existence? Theoretically, yes, it may

make sense to get out of sugar, turn all the sugar land into pastures and raise cattle because meat is perhaps more profitable. But what do you do with the people who previously worked in sugar?

These are some of the problems that we still face. We sometimes think the Community in its corporate capacity does not fully understand our wish to come to grips with them. I'm sure there are people within the Community who understand these problems, but does the Community fully grasp all the implications that are involved in our inability to solve them, and does it want to help find solutions to them?

So, in respect to some aspects of our relationship, I find ground for disappointment after 10 years. There is a wider aspect, of course. We are able to show the world that it is possible for these former colonies to live



The start of a decade in the service of ACP-EEC relations: ambassador James O'Neil Lewis presenting his credentials to the EEC Commission President François Xavier Ortoli on 13 June 1973

in reasonable peace and harmony, not only with the Community but, by virtue of our having common interests vis-à-vis the Community, among ourselves. It is not surprising that the idea of intra-ACP cooperation came out of the Caribbean because the Caribbean is *par excellence* an area that calls for cooperation.

The Caribbean approach

Fortunately, we from the Caribbean have a great deal of freedom in devising a Caribbean approach to the problems that we face here. For me as outgoing ambassador for Trinidad and Tobago, that has been a very important advantage. When the Prime Minister asked me to come to Brussels, I said: "What instructions are you going to give me?". He said: "Follow the Caribbean line; just make sure that Trinidad's interests are not always overlooked, but follow the Caribbean line." Sometimes it was easy to know what that line was, because in the early days of the negotiations we had a Caribbean policy devised in the Caribbean itself. I would like to feel that we have not been entirely unsuccessful in showing to Europe and to the ACP that we can have a Caribbean view, especially in relation to our activities under the Lomé Conventions.

Putting ideas into practice

► So to some extent you are disappointed that Europe hasn't really grasped this idea of there being a third way for the Caribbean, an alternative to alignment with the super-powers?

— Let me put it in other words; it is not that they have not grasped it, but they have not always behaved as though they grasped it, particularly when there were economic difficulties. Of course, when there are such difficulties we all want to protect ourselves, but sometimes one has to look at what is involved in that protection. Take things like textiles: my understanding is that the ACP, as a group of countries, are importing more from the Community than they export to it, yet we are constantly being told that we must cut back on what little we do export. Now how are we going to maintain our imports if we cannot export? Mauritius, for instance, has a problem now because of some protective devices being established by some European countries for its textiles. Against that we are told; "but you do have free access for 99% of your exports to the EEC market". Yes, but if the actual conditions are made difficult, access is not enough. Rum comes to mind: there are import quotas for the Community importers. If difficulties are placed in the way of the prospective importer, difficulties that prevent him from taking advantage of those

quotas, then to say that we have access is meaningless.

Industrial development

So generally there is the difficulty of putting into practice the excellent ideas set out in the preamble to the Convention; they are excellent aspirations, but how do we come to terms with them? I ventured to say at the meeting of the advisory council of the CID that perhaps what both sides need is a display of courage. Courage is not the greatest of virtues, but without courage most of the other virtues have little effect. We, the ACP states, need courage on our side to take measures that may be painful and unpleasant but need to be effected in order for us to take more advantage of what opportunities there are. The Community, for its part, needs to have the courage of its convictions, to provide the means of ensuring that these objectives can in fact be achieved. I conveyed these remarks to the CID advisory council because the industrial cooperation chapter is an example of the difficulties we face. There is a Centre for Industrial Development, there is a chapter on industrial development, but how much industrial development is taking place?

For one thing, private investors prepared to consider going to our countries want all sorts of guarantees they would never dream of asking from other countries. Countries that are using other people's money to invest in our country have a right to be concerned. If you are using the savings of shareholders in Europe to develop our countries, then the investors have a responsibility to their shareholders. We understand that. But the Community should have provided the real means for industrial development. We kept asking for an investment fund, so that the CID could not only identify attractive investment opportunities but could actually lay the foundation for the proper investment of funds. Thus we might have made more headway. The poor CID is now hamstrung in the sense that it can only spot good opportunities to develop. Since we, the ACP states, don't have the money ourselves, we have to find some way of persuading the European investors to come in. That's as much as we can do. Now the CID is, I think, conscious of this difficulty, but what can it do? Maybe in the new negotiations there will be an oppor-

tunity for the Community to give it the means to realize some of the aspirations that are set out so beautifully in the Convention.

An open-ended relationship?

► *What other ideas would you like to see more concretely achieved in the negotiations that are going to start in September 1983?*

— Mr Pisani has an idea that is worth serious consideration and should not be rejected out of hand. He suggests that some aspects of our relationship should be open-ended because they cannot be accomplished within a five-year period. We see that all the time. For instance, the Centre for Industrial Development is one of these areas. You can't do much when there is a prospect that, come the end of the Convention, the whole thing will be closed down. We are about to establish a Centre for Agricultural Development. This too cannot be set upon the basis of a five-year lifespan, there must be something beyond. There is the question of Stabex. It can't really be effective if it is going to be limited to a five-year period. People know that at the end, no matter what you've done, you're not going to get any more help. It doesn't matter whether the difficulties you are facing have anything to do with your own efforts to improve your production, it's a world situation. This is also true for certain development projects, like the reafforestation project we have in Trinidad. Other regions have other projects that will go beyond the five-year period. There ought to be some possibility for a continuation of activity and not a limitation as exists under the present Convention.

Against that there are those who fear—and perhaps we of the Caribbean are among these—that an unlimited arrangement could create some difficulties. If it's accompanied by smaller protocols, which, as I understand, would be suggested by the development directorate of the Commission—protocols for sugar, bananas, etc.—for us this may mean weakening the solidarity of the ACP Group, because not every ACP state has the same interests. So sugar producers will go off in their own little corner, coprah and mineral producers will do the same, etc. Since we attach great importance to the idea of intra-ACP cooperation it has

seemed to some of us that, though unintentionally, this could be a means of weakening that ideal. This has not been so in the past. We have looked at the problems of Stabex from the standpoint of the ACP as a whole, although many ACP states do not in fact benefit from it, including my own country. Nonetheless, we feel immensely involved in the problems of those countries that have difficulties over Stabex.

Cultural cooperation in the wider sense

Another thing is cultural cooperation. I share the interest of ambassador Chasle of Mauritius in this subject but I know this is not popular with the majority of, or let me say several of, our ACP colleagues. There is a fear that a shift towards, or the inclusion of, cultural cooperation would tend to diffuse our efforts into areas of lesser importance—that we will be distracted from the economic difficulties and realities that we have to face by talking about cultural cooperation. Also there is the fear that any funds made available to implement cultural cooperation may mean a diminution of funds for other things such as development projects. I take that point, yet I don't myself think that danger need arise because I think cultural cooperation goes well beyond an exchange of artists, musicians and dance groups and so on. We tend to see it in a much wider context: whether, for example, our students can find places in the universities of the Community; whether, with regard to what is said under the financial and technical cooperation chapter, ACP states are really free to get their people trained in accordance with their own priorities. If we cannot send our students, in accordance with our development priorities, to an EEC country because that country will not allow them in or will put barriers in their way, or make fees so high that it becomes impossible for us to send our students there, then are you not defeating one of the very objectives of financial and technical cooperation?

This is what we have tried to say to the Community—that it is not a matter that can be said to concern only the EEC member states, because the implementation of those objectives of the Lomé Convention is dependent upon the goodwill of each



During the Lomé I negotiations: "Scottie" Lewis in discussion with fellow ACP delegates, including Donald Rainford and P.J. Patterson of Jamaica

EEC country not to put barriers in the way of implementation. We attempted to discuss this recently at a meeting of the ACP-EEC joint committee of ambassadors and it was to me a matter of painful regret that we could not have a meeting to discuss important matters sent to us by the last joint ministerial Council for lack of agreement on the agenda—whether to put on it, as a separate item, the question of problems facing ACP students and nationals in EEC member states. Now this is really beyond belief—that a set of people representing more than 60 countries, sitting down to talk with the EEC, cannot get a meeting going because we are not able to agree on an agenda item. I think it was included in the joint ministerial Council meeting in Libreville, yet we, the subordinate body the joint committee of ambassadors, could not reach agreement on the insertion of that very item on our agenda. So we lost a chance of discussing important questions relating to Stabex, to industrial development, and a whole host of things because of that one item.

Now I have been digressing, but I say this because cultural cooperation in my view extends to a very vast area. There is the question of the availability of food, for example. When I came to Brussels there were a number of Caribbean food items

that you couldn't get here. Some of them may well have come under the common agricultural policy arrangements that made the import of some foodstuffs expensive or difficult because they were subject to levies or import duties. I believe that situation is changing. We found some years ago that certain vegetables or fruits, I believe from Senegal, were liable to higher duty coming in under the Lomé Convention than the same products coming in from North Africa. How can this be if we are supposed to enjoy better terms from the Community? But more than that, it is in the context of cultural cooperation that I refer to it. Although we live in Europe, we do like from time to time to enjoy the kinds of food we have been used to, if we can get them. The same applies to clothing. If we can't import the kinds of clothing we wear, you may well say, "why do you need the kinds of clothing when the weather doesn't allow you to wear them?" Well, there are opportunities. Some of my colleagues who are Muslims, for example, are required to wear certain garments during certain times of the year. If there are difficulties in getting those things here, then this is not only a trade matter but a cultural matter as well. There may be scope also for some kind of cultural cooperation that would allow a kind of freedom of worship which, though not forbidden

by law, nonetheless creates difficulties in practice.

The ACP image: not "mendicant countries"

Another example is the problem of cultural artefacts which have been taken away, some of religious significance, some of artistic, historical or ethnological significance. Some of these were brought to Europe. Is there ever going to be a chance that we or our children may see some of these things that form part of our history? There too there is scope, it seems to me, for cultural cooperation. Also in the publication of works by ACP writers, in making them available not only to Europe but to the ACP countries themselves. Many of our countries must still import most publications from abroad because we do not have the modern means of publishing all the works we would like to. There, too, it seems to me is scope for cultural cooperation. There is scope for sporting links too. If we, the ACP, see our relationship with Europe, or if we are thought to see it, only in terms of what monetary help we can get from the Community, this puts us in the context of mendicant countries, always coming with our hands stretched out, and the Community being the great generous donor with the money bag, doling out money to those who have behaved themselves. If that is the impression that is to be given out to the world, and maintained, then I think we do ourselves great harm, both to ourselves and to Europe. This is not the relationship that I think either side wants to project to the world, if we are in fact to provide a model for a new international economic order.

"A problem is a solution in disguise"

► *1983 will also be an important year for the strength and unity of the ACP group, and much will depend on the functioning of the ACP secretariat in handling the forthcoming negotiations. What is your view on this?*

— I believe that the ACP secretariat has gone through a difficult time in having to cope both with problems that would have arisen in any case, and the problems that come from a growing organization. After all, when we began there were only 46 ACP states — now there are 63 and they

spread across the whole globe. So the ACP secretariat has to cope with practically the whole world and that poses serious problems. The larger the staff becomes, and the staff must increase in order to cope with these problems, the more difficult the problems of organization become. I would like to see a secretariat that at last can settle down structurally as well as in terms of its own objectives and perspectives. It must cope with the implementation of the current Convention, which must never be overlooked, as this has to be taking place at the same time as we are preparing for the new negotiations. The ACP secretariat must ensure that the present Convention is effectively implemented. Yet at the same time it must prepare itself to assist the negotiators to ensure that the new convention excludes those portions that we have found from experience to be unsatisfactory, and includes new or improved provisions which we can all respect. So the problem is a dual one.

It may well be that some of the mechanisms for recruiting and organizing the ACP secretariat may have to be looked at. It's not easy. There is the question of language, the two official languages being French and English, and officials come from different systems of administration. Coordinating all this puts a tremendous burden on the head and senior officers of the ACP secretariat. Somebody has said a problem is a solution in disguise. Most problems can be tackled if, in fact, there is willingness to tackle them and seek out effective solutions to them. It is as much a matter of the psychology of organizing and administering the secretariat as of having the physical and intellectual resources to do so. We perhaps need more money as well, because while we obtained a good bit of help from the EEC — the Community finances some of the senior officers of the ACP secretariat — there has been difficulty recently over some of the posts. I understand that in the view of the Community those posts do not merit its assistance, yet they are vital to us.

The ACP and European unity

► *Speaking of the functioning of organizations, for 10 years you have observed not only cooperation with the ACP group but also cooperation*



"Fortunately, we from the Caribbean have a great deal of freedom in devising a Caribbean approach to the problems that we face here. That has been a very important advantage". Above ambassadors Ferrier (Surinam) and Lewis listening to Donald Rainford during the Lomé II negotiations

within Europe itself. Where do you think Europe stands now compared with one or even two decades ago?

— I think the idea of European unity is vital to world development, to the survival of the world as a civilized planet. I may be over-emphasising that, but I cannot see a world in which Europe does not play an important part. But I do believe that while, without the Treaty of Rome we, the ACP, would not have been here and that the fact that we are here has helped us understand each other better, our relationship with Europe has also given a new dimension to the whole idea of European unity. Europe has got to come together if only to deal with the ACP. We have in fact been able to help Europe to unify its thinking, if only in relation to matters affecting the ACP. So we have played a part, I would think, in terms of European unity. I myself was disappointed that little attention seemed have been given to the role of the ACP in developing European unity in the celebrations which marked the 25th anniversary of the signing of the Treaty of Rome.

I stray from my proper course when I say it is a great pity that the original concept of Europe, the one influenced by people like Monnet and Schuman, is only now in the process of being realized. If the original ob-

jectives had been achieved, then the world and Europe certainly would have been different. Now I think we are in the process of seeing that idea of the larger Europe take shape. It has caused and still brings with it all sorts of problems. It has implications that perhaps the current Community is becoming aware of, and maybe afraid of. There are those who fear that when Spain and Portugal enter, there may be what some have called an Iberian Renaissance in which the emphasis would shift towards a sort of Spanish-Portuguese culture. That will also have consequences in terms of drawing to Europe the territories in Latin American which still retain links of language and culture with Spain and Portugal. What would this mean for the Community? It may mean a lot that is good, but it may also bring with it serious problems that the Community and the rest of the world will have to take account of.

► *How do you look forward to your new assignment?*

— With a great deal of trepidation, I can tell you. I shall miss very much the fellowship of my friends in the ACP as well as in the Community and within Belgium. I thank those who have given me the benefit of their friendship and assistance and I hope that we may have an opportunity of meeting again. o

Interview by R.D.B.

UGANDA

"A decade of destruction, decline, decay and despair"

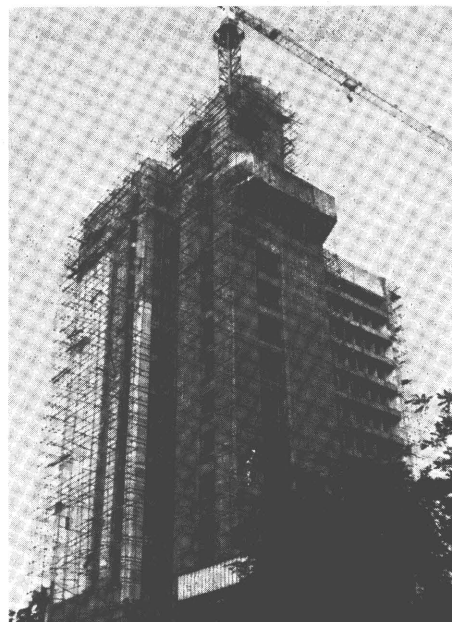
At the beginning of the 1960s, Uganda, the pearl of East Africa as Winston Churchill called it, was one of the richest countries in Africa. Its strong and diversified economy was based on coffee and cotton exports, but new products such as tobacco and tea were experiencing rapid growth. Uganda's rapidly developing industries were able to provide a large proportion of the modern consumer goods sought by the population and contributed nearly 12% to the country's monetary GDP. A modern communications network—one of the best in Africa—attracted tourists and their foreign exchange to national parks which were among the finest in the region. People used to visit Uganda in order to enjoy its very mild equatorial climate, tempered by the altitude, its lake scenery, its permanently green vegetation and the wildlife to be found in its splendid national parks. People would come and holiday in one of the many high-class hotels or merely look for things to buy since the shops were so well stocked. If Uganda's position of unchallenged pre-eminence in the region needed confirming, the cradle of the Nile could boast Makerere, that prestigious institution of higher education through which generations of Africa's elite had passed.

Today, Uganda is numbered among the world's 31 least-devel-

oped countries, so designated by the United Nations for the purpose of attracting international solidarity. As it now stands, the country's economy is in utter ruin. As well as the decline caused by a decade of negligence and destruction, there has also been the ravage and pillage of a civil war. Uganda's wretched condition was, perhaps, best exemplified in 1980 when the country once known as the granary of East Africa became the country of hunger. The whole world was stunned when suddenly confronted on the front pages of its daily newspaper and on its television screens with pictures of the living skeletons of the Karamojong; for many people, these emaciated bodies, which had not even enough strength to crawl, have become the new face of Uganda.

Kampala, the capital, once a symbol of the country's prosperity, now presents a picture of blackened or destroyed buildings, broken window-panes, huge potholes next to which one would be lucky to recognize a trace of asphalt surfacing and building sites abandoned for the last five years at least, still dominated by giant cranes. And yet, all around, signs of the great days of the country's past are visible, only half concealed by the decay and the dirt. Those who knew Uganda 15 or 20 years ago and who describe it as a lost paradise are unable to repress a

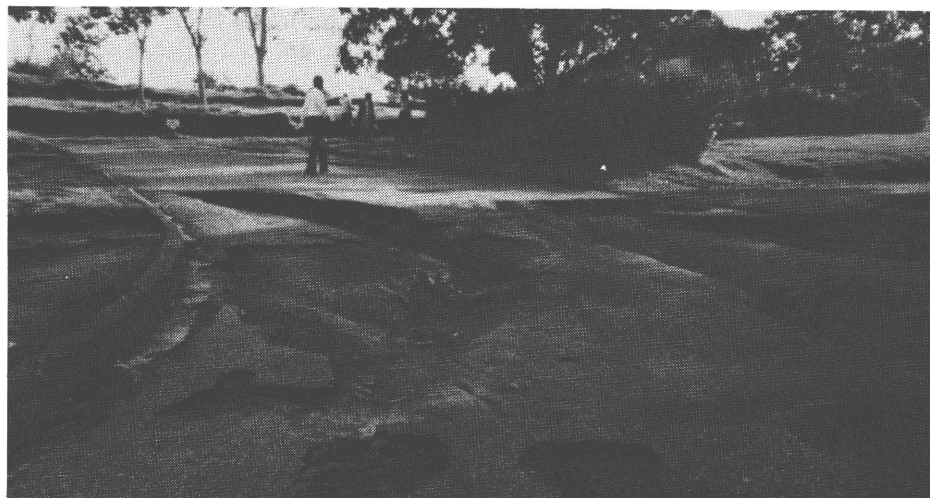
feeling of sadness and nostalgia. A businessman of Indian origin, now living in Edmonton in Canada, returned for the first time since 1972 to Uganda where he had lived before being expelled by Idi Amin. "Ten years ago", he assured me, contemplating the empty streets and the dim illumination from the occasional street lamp, "this place was lively all through the night and was so well lit that you'd have thought it was broad daylight."



In the centre of Kampala there are several abandoned building-sites such as this one

A period of disastrous rule

In certain countries, it is one particular area of the economy which gets into difficulty and goes into decline; there are many such examples even in the developed world. Uganda's tragedy results from the fact that all sectors of its economy have been affected, agriculture above all. Under the combined effect of prices that were too low to offer an incentive and the deterioration of the country's transport, processing and marketing infrastructure, Uganda's export crops experienced a spectacular collapse. Coffee, which under the exceptional conditions occurring in Uganda, is capable of yielding two crops per year almost everywhere it grows, declined by 50% from 201 000 tonnes (robusta and Arabica combined) in 1970 to 110 000 t in 1980. In the case of cotton, the decline was even greater (86 000 t



Kampala drivers have to zig-zag constantly between enormous potholes



Visitors to Kampala, once a symbol of Uganda's prosperity, are now confronted with the blackened facades of buildings damaged by bombardment



Half the machinery in this coffee processing plant has long ceased to function; the other machines frequently break down

were officially purchased in 1970, but 10 years later a mere 3 000 t) as also in the case of sugar production which, totalling 144 000 t in 1970, was able to meet all the country's needs and leave a surplus for export; in 1980, Uganda's sugar production amounted to only 3 000 t. Over the same period, tea cultivation declined from 18 000 t to 1 000 t and tobacco from 5 000 t to 500.

Food crops were no exception to this general trend, though the fall in production is harder to quantify because a large amount of food is grown for local consumption. Nevertheless, the World Bank estimates that production of bananas—from which the basic food "matogue" is made—was in 1980 only 62 % of what it had been in 1975; in the case of sorghum, it was 64 %; maize production fell by almost 60 % between 1976 and 1980 and beans by 45 %. Groundnuts fared far worse,

production falling from 265 000 tonnes in 1969 to 65 000 t in 1980.

Uganda, with more pasture than any other country in the region, had very large numbers of livestock before the establishment of the Idi Amin regime. Stock-farming had reached a very high degree of specialization, with the use of modern methods of cross-breeding. Small ranches had mushroomed in the fertile crescent around Lake Victoria and in the west of Uganda where, as a result of stringent health measures, the tse-tse fly and other animal diseases had been eradicated. However, disease has again returned to many areas from which it had been driven, as a result of the lack of vaccines and because there is no longer a programme for the control of animal diseases. Moreover, during the liberation war, many farms were pillaged and enormous numbers of livestock as well as dairy-farming equipment disappeared. The main Kampala dairy only operates at 10 % of its capacity and processes imported powdered milk.

In the industrial sphere, the effects of the period of military rule have been equally disastrous. During the 1960s and at the beginning of the 1970s, Uganda's industrial sector was flourishing with an average growth rate of 6 %. Industries which enjoyed steady growth had become relatively diversified and were therefore full of promise in terms of both jobs and export earnings. However, the expulsion of foreigners and the nationalization of their property, followed by the setting-up of state undertakings, dealt a fatal blow to this exemplary record. Very quickly the

new managers, most often appointed because of their allegiance to the government, proved incapable of maintaining production levels. Spare parts would soon run out and, as a result, numerous machines ceased to function. Here, also, the figures are astonishing. Uganda was not long in showing a negative growth rate which has subsequently persisted. Of the 50 large and medium-sized undertakings in business in 1971, 15 have now shut down completely; the rest are on average operating at 30 % capacity. The damage has proved even greater for small businesses, of which there were 870 in 1971; 10 years later it was possible to identify only 418, of which 162 had closed down and 256 were operating intermittently. In the case of the steel and cement industries, in 1970 Uganda manufactured 211 800 t of steel ingots and in 1971 205 100 t of cement. In 1980 the figures for steel and cement production had fallen to 1 900 t and 4 900 t respectively.

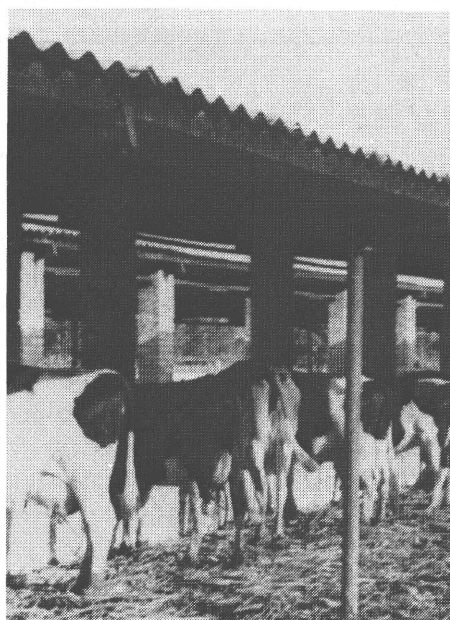
The dire consequences of the years of destruction

With regard to mining, this industry has not so much declined as almost totally ceased to exist. Copper ore used to be mined at Kilembe and processed at Jinja. As a result of the worsening political situation, the firm which used to exploit this deposit withdrew and production quite simply came to a halt. The smelting-works subsequently suffered so much damage that repairs are unlikely to be considered worthwhile; quite simply, it will have to be replaced. Likewise, many small tin, gold, tungsten and colombo-tantalite mines have closed because of a lack of spare parts and equipment. The few which are still operating do so on a limited scale.

Tourism, at one time a major source of foreign exchange, is now a marginal activity. The wildlife in Uganda's national parks, the central tourist attraction, has been decimated by poachers and traffickers of all kinds. Certain species such as elephants are in danger of disappearing altogether; the 12 000 elephants at the beginning of the 1970s have now been reduced to merely 1 500. In addition, the infrastructure of the parks has deteriorated and several hotels have closed while they await renovation.

Tourism has, in any case, become very hard to exploit because of the poor condition of the transport and communication systems. Of all the havoc wreaked during the Amin era, it is possibly in this sector that Uganda faces the direct consequences. This is because, for a land-locked country, reliable links with the outside world are a vital precondition of all economic development.

At the time of independence, this requirement had been realized to a large extent and Uganda could take pride in having one of the best road networks in sub-Saharan Africa: 27 000 km of roads, including 2 000 km of asphalted roads and 5 000 km of main murram roads. The murram roads suffered most from the lack of maintenance, because they have to carry very heavy traffic to and from other countries in the region: Rwanda, Burundi, Zaire and Sudan. These roads also had to carry a large amount of rail traffic at the time that the railways were teetering on account of the break-up of the East African Community; under the Community, the Kenyan and Ugandan railways had been operated as a unified structure, with the trains, monitoring services and maintenance workshops based in Nairobi. The rolling-stock—carriages, trucks and locomotives—inherited by Uganda



Uganda's livestock had achieved a high degree of specialization. However, many farms now find themselves without equipment

trol problematical; whole sections of track on certain lines are also in need of replacement, being over 50 years old.

A massive task

This terrible inventory could be extended even further, to include the resurgence of a number of diseases



Lake Victoria near Entebbe. Uganda previously had a highly developed tourist industry

were in poor condition and soon had to be scrapped. The country has therefore undertaken a costly programme, still far from accomplished, to purchase plant and equipment. There is currently still a great shortage of carriages and trucks. This useful situation is compounded by the fact that the signalling system is antiquated, which makes traffic con-

which had disappeared or else were strictly controlled, such as river blindness and bilharzia; the scarcity of medicines and vaccines; and the utter neglect of the Mulago hospital, Uganda's principal medical centre, where the radiology laboratory and radio-diagnostic equipment have to be replaced. Likewise, the water distribution and sewerage systems are



Coffee exports fell by half between 1970 and 1980

in an advanced state of deterioration, having received virtually no maintenance over the last 10 years as a result of a lack of spare parts; 19 of the 22 studios of the national broadcasting system are also out of service for the same reason. Even so the list is far from complete if no mention is made of schools without books and administrative departments without archives, having fallen prey to acts of mindless vandalism, and a currency without value.

To fully appreciate the current situation, it is necessary to keep in mind these facts and figures, which are responsible for the extent to which Uganda's GNP has plummeted compared with that of other countries. One can thus gain an appreciation of the efforts now being made to rescue from ruin this "victim of politics", as Uganda was once described by a colleague.

To make up for what President Obote has referred to as "a decade of destruction, decline, decay and despair" will be a massive task. "All Ugandans are faced with real challenge", said Mr Odaka, minister for planning and economic development, who is himself experiencing the challenge first-hand since he has had to climb 13 stories on foot several times each day in order to reach his office. "The next time you see me", he told us, "the lifts will be working." o

AMADOU TRAORE

"Foreign investment is only a supplement to our own efforts"

Interview with President Milton Obote

President Obote is unique in Africa. Elected in December 1980 as leader of Uganda, he is to date the only African head of state who, having lost power, has managed a come-back. But the country to which he returned after a 10 year exile in Tanzania was very different from the one he had led before the military coup, when it had been one of the richer and more developed states in the continent.

Today, after 20 years of independence, Uganda's economy is in ruins and the country has the sad privilege of being among the UN's 31 least developed countries. President Obote has the difficult task of restoring Uganda's economy and healing the wounds which the previous bloody regime left as its legacy. Many believe he has the stature, experience and authority to return the country to its once envied position, and that some progress has already been made.

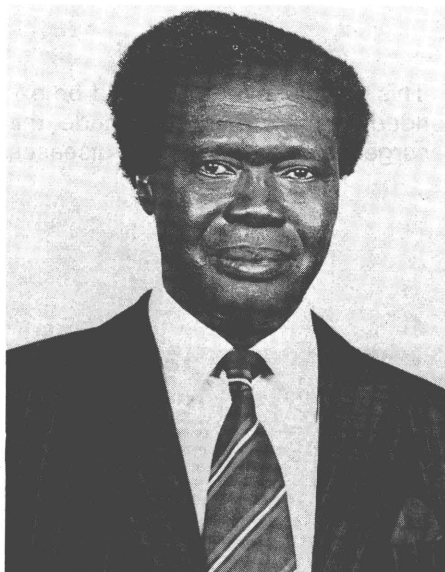
In an interview with the *Courier* President Obote discussed the problems of rebuilding his country.

► *When does your government hope to restore economic production to the pre-Amin level?*

— I don't think one can give a mathematical answer to that question. It depends on several factors some of which are internal and some external. It depends on the world recession, on prices of commodities and on the price of the manufactured goods coming into Uganda. It is not easy therefore to give a definite date. But we are doing everything possible in the hope that some of the sectors begin to get back to their previous position, to the pre-1971 situation, within two or three years.

► *Is the speed of the rehabilitation programme in line with your plans so far?*

— The speed is in line with our plans, but it depends on two things; what we do ourselves through our own efforts and abilities, and secondly, what we have to do because of what is happening outside Uganda. As far as we are concerned what we are doing internally is very much within the timescale of our programme. But a solution to this problem depends very much on a number of things which are not under the control of Uganda.



Dr A. Milton Obote

► *Your recovery programme is based mostly on agricultural commodities, the prices of which will continue to decline according to most estimates. Doesn't this put your programme in danger?*

— No, the decline of prices for commodities is relative. And the prices are not applicable only to Uganda, they are applicable throughout the world. We have designed this programme because we feel that it is through rehabilitation of the agri-

cultural sector that the other sectors can also be rehabilitated as quickly as possible.

► *Does the current aid flow meet the requirement of the recovery programme?*

— I don't think there is any leader in the Third World who will say that the cash flow or aid flow meet requirements. Obviously we want more aid than we are receiving, but we are satisfied with what we have received.

► *Does Uganda have the capacity to absorb more aid?*

— Yes, very much so. Anyone who studies the recovery programme will find that in practically every project, if we were to get foreign assistance, we can absorb that assistance and even slightly more.

"Our problem does not depend on the size of foreign investment"

► *How successful have you been in your attempts to attract foreign investment in Uganda?*

— Success depends on what we do here, and what you describe as foreign investment. We have attracted quite a substantial amount. We have also made it clear that our problem does not depend on the size of foreign investment, but on what we can do here. Foreign investment is only a supplement to our own efforts.

► *How did the business community react to the recent law on nationalized foreign assets?*

— If you are referring to the assets and properties of the people who were expelled in 1972 by the regime of Idi Amin, that law has yet to come into effect. I've signed it, but it has not yet been implemented. Implementation will start next year (1). We don't think that many of the Asians who left Uganda in 1972 will want to come back. It's not that we don't want them to come, but we think that since 1972 many of them, if not all, will have found suitable

(1) This interview was recorded in December 1982. The law came into force on 21 February 1983.



Coffee (above) and cotton plantations. "We feel that it is through rehabilitation of the agricultural sector that the other sectors can also be rehabilitated as quickly as possible"



ble occupations wherever they have been throughout those years. What we are looking at with denationalization is the question of compensation and matters of that kind. This is an important law because we shall know for the first time who are the actual owners of these properties. They are of course going to be Ugandans in the main. But they will have proper titles to property and we shall, as a result, leave behind the bad and corrupt practice of allocating businesses to Ugandans and others.

► *Does the security situation in the country affect the flow of foreign aid?*

— No. The security situation doesn't affect the flow of foreign aid.

Uganda did not receive aid for a long time in the 1970s. Since the liberation of Uganda and the elections of December 1980 we have begun to receive aid. Security has also been improving since 1980.

"The insecurity situation is one of the past"

► *How successful has your government been in its attempts to reinforce law and order?*

— Law and order measures have been a great success for this government. Some two years ago the question of insecurity was one that affected every part of Uganda. But not today. Today you can walk the length and breadth of the country,

and you find complete peace. There are still pockets of bandits and insecurity, but they are not extensive and the insecurity situation is one of the past.

► *Those pockets are around Kampala?*

— Not especially Kampala. Kampala is a capital city. Some of the problems that we face here are not problems of general insecurity. They are problems of thuggery, of thieves and robbers, which you find in every capital city in Africa and elsewhere.

► *How long do you think it will take to heal the wounds of the nation after the military regime and the war of liberation? And how do you intend to reunite the country?*

— Again I cannot give a mathematical answer. But we have begun, and we have begun in a manner that is promising. Most Ugandans have realized that what happened before the liberation must be forgotten. And it is fortunate that this government was elected into being with a positive policy of reconciliation. A policy of no revenge. This policy has been accepted by the people of Uganda. What we now face is the problem of politicians who have no roots, who think that they can disturb the situation and overthrow the system by guns. But even here the people are rejecting such views.

► *In the last few months, there has been great press coverage of the many Rwandans who have settled in Uganda. What is their situation now?*

— The Rwandans came here as refugees and they were given settlement areas. Then, in 1971, the coup took place here. Idi Amin wanted to use the Rwandan refugees and invited some of their leaders from outside Uganda to come here. Rwandan refugees then left the refugee settlement areas in large numbers and went to settle among the local population in various parts of Uganda, particularly in the Western Region. Some Ugandans lost their property, that's to say property was acquired by the Rwandans. After liberation, Ugandans began to ask that property taken from them under the regime of Idi Amin by Rwandans should be returned. We were in the process of working out the best method of doing it when the Rwandans started

reacting. There have been bad incidents of cattle rustling and in some of those incidents lives were lost. In late August there was a bad incident of cattle theft. The local people mounted a search party to look for these cattle and during the process three Ugandans were ambushed and killed, allegedly by Rwandan refugees, or persons who had come from Rwanda. During the burial of these persons some hard words were said. Some Rwandans thought that the Ugandans were going to fall on them, beat them up, kill them. A panic started and a large number of them left Uganda and crossed into Rwanda. This is how the matter came to be highlighted in recent weeks. The problem, however, is a very big one. Is a human problem. It is big problem in the sense that the government of Rwanda would not like these Rwandan citizens to go back to Rwanda. The problem now arises, are they to remain in Uganda? There are very many of them.

► *How many?*

— Well, we don't know the number for certain. But it is definitely something over 60 000 or 70 000. That's a large number, and it looks as if the United Nations High Commission for Refugees hasn't got a positive policy as to what to do with them. We are being requested to give them more land and to settle them. But that doesn't answer the question of where they will go ultimately. This is the real issue, because the Rwandan government does not want them to return to Rwanda.

► *And they cannot settle in Uganda?*

— But why should they settle in Uganda? Let us see what other countries can do. Why Uganda and not Holland, Denmark, Zaire, Kenya, Somalia?

► *Regional cooperation is one of the key issues of the Lagos Plan of Action. Do you think some kind of revival of the East African Community is possible?*

— I suppose it would be possible in the future, but not now. I say so because right now, we are engaged in negotiations for the division of EAC assets and liabilities, and they are rather difficult. During these negotiations it would not be easy to

propose, at the same time, a new form of cooperation is part of Uganda's negotiating position. We recognize that the assets and liabilities must be divided. At the same time we are suggesting to our former partners that some of the services and projects which have not yet collapsed, should not be allowed to collapse, and should form a new basis for future cooperation.

Financial discipline means a lot of hardship

► *Many Third World countries are bitter about the IMF and the World Bank, but not Uganda, which*



President Obote, who is also the chancellor of Makerere university, presiding over the graduation ceremony

is now considered by many as a model for their principles. Why?

— Well, we have no special relationship with the International Monetary Fund. We have a programme with them which is now 16-17 months old. I think it is too early for us or for anybody to say that because of an arrangement which has lasted for 17 months, therefore Uganda is a model for cooperation with the IMF. But I would like to say this, that in Africa or in Third World countries, as you say, the basis of the economy is the same. The management of the economies, however have been different. In the case of Uganda we had a fairly satisfactory economic performance in the 1960s. That trend was disturbed by the coup in 1971. Uganda had to endure for nearly 10 years a corrupt, negligent and destructive regime. Now,

after liberation, we have to return Uganda to prosperity and progress. But in order to do so, we have got to teach Uganda, and we Ugandans have to teach ourselves the importance of discipline, the importance of good management of the economy. Financial discipline means a lot of hardship. That is good financial management, but it also happens to be part of the operational practice of the IMF. It is also ours. So the answer in short is that there are certain things which the government of Uganda, on its own, found to be essential for progress and rehabilitation. These also happen to be basic principles of the IMF.

► *What do you think of EEC aid to Uganda?*

— We have received aid in very vital areas. I hope we are absorbing this aid effectively. We have no complaints, and complaints we would want to advance we would pass through official channels.

► *The negotiations for the renewal of the Lomé Convention are due to start next September. What changes would you like in your cooperation with Europe?*

— We can't start publishing that in the *Courier*. We have to exchange views with other countries, and put this officially to the EEC and the member states. We have some ideas on what we want to propose but we think it's not good to start publicizing these things now. ◊

Interview by A.T.

Restoring to the "pearl" its old lustre

Foreign affairs are often considered by heads of state as their special preserve. When, as is sometimes the case in developing countries, they also wish to hold a ministerial portfolio, the choice is often defence because of the control thus acquired over the country's principal organized force, the army. In Uganda, President Obote did not take charge of defence, but of the finance portfolio. He could not have offered surer proof of his conviction that the country's recovery depends chiefly on prudent monetary policy. Having returned to power nine years after being ousted by Idi Amin's military coup, he found himself back in a

conditions matching the scale of damage caused to the country's economy. In this case, however, there were none of the habitual recriminations against the austerity measures unflinchingly required by the IMF of the countries which it assists. On the contrary, it is not uncommon to find a certain pride that Uganda is able to fulfil the conditions imposed. The country has made its choice and makes no secret of this. It will follow the IMF prescriptions and take account of the recommendations of the celebrated Berg report on "accelerated development in sub-Saharan Africa. This is spelt out in full in the preamble to the recovery pro-

of this measure, which was accompanied by the abolition of price controls, was that consumer prices suddenly rocketed to levels approaching prices encountered on the "magen-do", the pervasive black market which at the time was so flourishing and abounded with all that could not be obtained through official outlets. The inevitable appearance of consumer goods meant an end to certain types of shortage. At the same



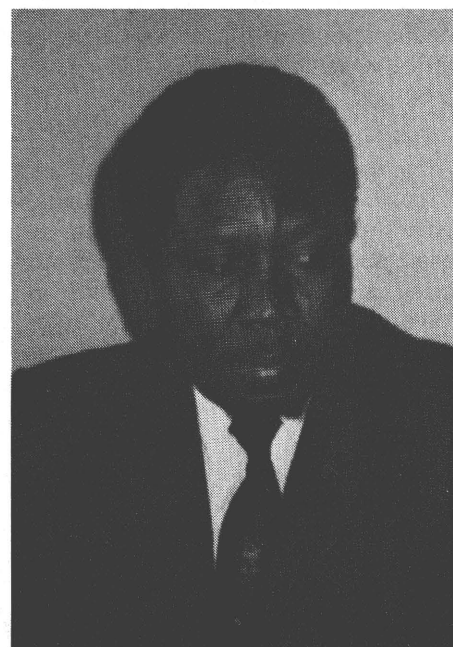
Banana plantation — the food situation has considerably improved

country drained of its life-blood, both figuratively and literally (see article p 11), whose grossly depreciated currency could be exchanged for 30 or 40 times the official rate and which, moreover, was not overwhelmed with offers of assistance. It had long been expected by some in Uganda that aid, which had been withheld during the Amin regime, was going to flood into the country after its liberation.

Uganda therefore had to appeal to the International Monetary Fund, which came to its aid with loans but,

gramme.

However, the recovery measures decided on in June 1981 have on occasion proved so exacting that they have needed the backing of the full authority of the head of state, who, as minister of finance, directly supervises their implementation. Following the decision to let the Ugandan currency float, it lost 90 % of its value overnight, going from 7.8 shillings/US dollar to 80 shillings. It fell to 85 shillings at the beginning of 1982 and its present parity is over 100 shillings. The immediate result



Agriculture minister Sam Mugwisa

time, producer prices in the case of the main export products were raised substantially in order to stimulate production and deter smuggling which, fuelled by the higher prices obtainable beyond Uganda's frontiers, was losing the country an appreciable proportion of its agricultural produce.

In the space of six months, the price of coffee and cotton had increased fivefold, the price of tobacco sixfold and the price of tea by a factor of 4.5.

An original system of exchange

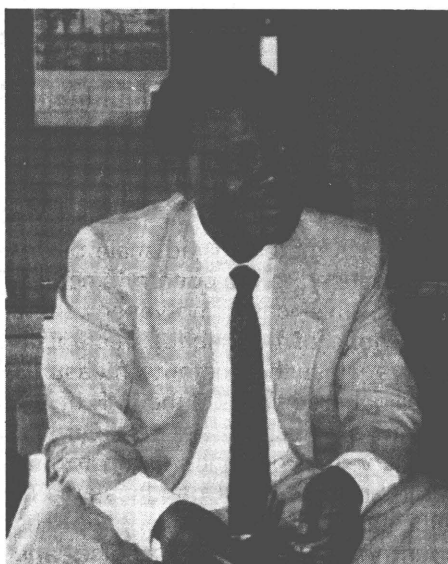
Wages also followed suit, though not to the same extent because the government had undertaken to limit its expenditure in order to reduce the budget deficit. However, this cur-

rently constitutes one of the weaknesses in the restructuring measures, namely the absence of a link between wages and the cost of living. The minimum wage of 1 000 shillings per month covers the cost of only a large bunch of bananas (800 shillings), barely sufficient to feed an average family for more than a few days. Many Ugandans have had to give up beer, their favourite drink, which now costs 300 shillings a bottle; even senior officials have to restrict their car travel to the absolute minimum, since their monthly earnings generally enable them to fill up only once and just to do this means spending the entire salary on petrol which costs 150 shillings per litre.

The first set of measures was supplemented by the introduction last August of a system of exchange which, at the time, was without parallel (subsequently Mexico has adopted similar regulations). This involved opening, at the Bank of Uganda, two separate windows for currency transactions. At window I, the rates of the major currencies are determined by the floating Ugandan shilling. This is the rate at which Uganda imports goods vital for the economy. At window II, US \$2 million are offered each week at a rate determined by competitive bidding. Importers wishing to obtain foreign exchange must bid in Ugandan shillings for the amount of exchange they wish to acquire, the successful ones being the highest bidders. Since the introduction of this system, the dollar rate at window II has been around 250 shillings, as against 100 shillings at window I. When all the money liberally printed by the Amin regime in order to finance government expenditure has been, as it were, pumped into the official system, the gap between the two windows—so the finance authorities hope—will be reduced to zero.

An incentive

After years of laxity and lack of economic direction, these drastic measures, prompted by the IMF, leave no doubt as to the country's desire to attack its problems head-on or to the fact that it has already accepted the social consequences. It is probably this determination which



Sam Odaka

Minister for planning and economic development

makes the Ugandan situation exemplary, even though the country's leaders, such as Sam Odaka, minister for planning and economic development, deny that Uganda could serve as a model for the numerous African countries which are in a scarcely better situation, on the grounds that the experiment "is only a few months old".

However, this policy, which involves austerity but also offers an incentive to producers, is beginning to pay off. The food situation has improved and last year Uganda even exported maize to Tanzania, although internal distribution still suffers from the country's poor transport and communications. Coffee production, which accounts for over 90% of export earnings, has responded to the financial stimulus created by the government: from 3.50 shillings before Uganda's liberation, the price of a kilogram of robusta first increased to 7.50 shillings, then to 20 shillings, to 35 shillings and, in June 1982, to 50 shillings. The reaction of peasant farmers to these increases was described by agriculture minister Sam Mugwisa as "fantastic". In 1981 Uganda was able to fulfil its quota of 117 000 tonnes set by the International Coffee Organization. Last year's quota was increased to 174 000 tonnes, but production was estimated at 198 000 tonnes. These figures are due as much to the decline in smuggling as to the attention devoted by farmers to their coffee shrubs, which

they had neglected during the 1970s in favour of food crops which were then more remunerative. The minister of agriculture considers that production is currently only one third of what it could be if the plantations were better maintained.

Price increases have also provided a genuine incentive in the case of cotton. Production of cotton, Uganda's second export product, had fallen to between 20 000 and 25 000 bales but, subsequently, the purchase price increased in the space of two years from 3 shillings to 40 shillings per kilogram. This year all the signs are that production will total 200 000 bales. However, this will still be a long way off the 1970 production record of 450 000 bales. This genuine agricultural revival has, as the minister of agriculture confirmed, had the effect of reversing the drift from the land; many young Ugandans who had been attracted to Kampala by the prospect of getting rich quickly during the palming days of "magendo" have returned to their villages to help their families cultivate the land, now that the black market is no longer so lucrative.

Very strict criteria

But many problems remain. The country no longer has its former transport infrastructure and this makes considerably more difficult the collection and conveyance of products to where they are to be processed. A great many warehouses are in need of repair (the cotton crop is likely to be very difficult to store this year) and Uganda is especially short of agricultural equipment and production inputs. According to the minister of agriculture, at the beginning of the 1970 there were over 800 tractors; now, not even 50 are in working order.

The government, worried by these various obstacles, last year initiated a two-year recovery programme (1982-84) with the aim of revitalizing key sectors of the economy. This programme, an abbreviated version of a more ambitious 10-year plan, involves capital projects totalling \$556.5 million to which must be added \$180 m of recurrent costs for the year 1984-85. In May 1982 the programme was presented to donors at a meeting in Paris and so far,

according to Sam Odaka, 50% of the total funds required have been assembled.

The strategy for recovery is "to revive the productive capacity of the economy with emphasis on agriculture, industry and mining": in all, 76 projects have been chosen on the basis of five very strict criteria, the conditions being that they:

- (i) procure or produce savings of foreign exchange, either through exports or import substitution;
- (ii) quickly stimulate industrial and agricultural production;
- (iii) involve minimal recurrent costs or none at all;
- (iv) are necessary in order to foster and develop economic recovery and growth;
- (v) fulfil urgent humanitarian and social needs.

The Ugandan government, as is well known, has serious budgetary constraints. For this reason it has asked foreign donors to finance the projects in the recovery programme and share with Uganda the burden of recurrent costs, which the government aims to finance partly from increased coffee exports (the motive force behind the recovery programme). There is some glee at present in Uganda because the coffee price assumptions on which the 1982-84 plan was based are lower than the current world prices; a splendid surprise which gives the government an extra margin of manoeuvre! It also seems likely that other products such as tea, tobacco and cotton—which entered very little into the calculations when the plan was drawn up—will contribute appreciable supplementary earnings. This is why Mr Odaka was of the view that Uganda "may achieve its targets from purely domestic resources".

President Obote himself is also often heard expressing the conviction that Uganda will be able to recover through its own resources. He recognizes, however, that more time is needed and that Ugandans will be required to suffer even greater hardship. Nevertheless, the President loses no opportunity to remind his compatriots that external aid, although welcome, can do no more than complement their own efforts (see interview). And, as if to prepare them to accept without resentment that certain promises of assistance



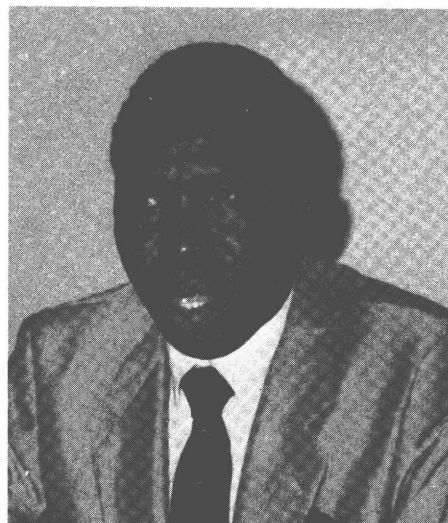
House of a well-off peasant farmer. The rural areas are gradually recovering

may not materialize, he repeatedly states that "the world does not owe Uganda a living".

Increasing aid for a very large number of projects

External aid, which had been withheld from Uganda under Idi Amin, is now flowing in steadily however.

The World Bank, through its offshoot the International Development



Dr John J. Otim
Minister for livestock and fisheries

Association, has provided \$95 m of credit for reconstruction, a sum which has already been fully committed. A second credit of \$70 m was finalized in December. Negotiations are currently in progress to secure for Uganda sectorial aid for education (\$30 m) and industry (\$35 m). There are also indications that the

IDA could allocate \$70 m for agricultural development. The African Development Bank has undertaken to provide \$30 m for the financing of social projects. The European Development Fund, which had substantially reduced the extent of its assistance during Amin's rule, became vigorously involved again following Uganda's liberation. Its emergency aid programme arrived at the right moment; its activity in the sphere of infrastructure repair (roads, railways, water supply) and in the rehabilitation of the country's coffee plantations and processing facilities has been much appreciated. In terms of financial resources, 93% of funds under the fourth EDF and 22% under the fifth EDF have been committed, making an aggregate of ECU 158.6 million. The International Monetary Fund concluded with Uganda in 1981 a stand-by agreement providing for special drawing rights amounting to \$157 m. When this agreement expired in June 1982, Uganda was authorized to draw an additional \$112.5 million.

"Bilateral aid is a little slower", complained Mr Odaka, "because it is tied to parliamentary and budgetary matters". Nevertheless, Italy recently assisted Uganda in a notable manner by deciding to invest some \$20 m in integrated rural development projects. "I think that this makes us the largest single beneficiary of Italian aid", said the planning minister, who also voiced his desire to see a resumption of aid by the Scandinavian countries, formerly major providers of aid but who subse-

quently withheld assistance from Uganda on account of the policies of the military regime.

In the current period of reconstruction this is an abundance of projects, their common denominator being foreign exchange, which is essential for obtaining imports of spare parts and production inputs. An international expert working in Kampala summarized the situation as follows: "You take a name, no matter what,

financing delay may prove disastrous. An example of this was the ADB loan which was to have financed the rehabilitation of 80 of Uganda's 400 ranches but which, because of various procedural delays, will be able to finance only a much smaller number.

Restoration of confidence

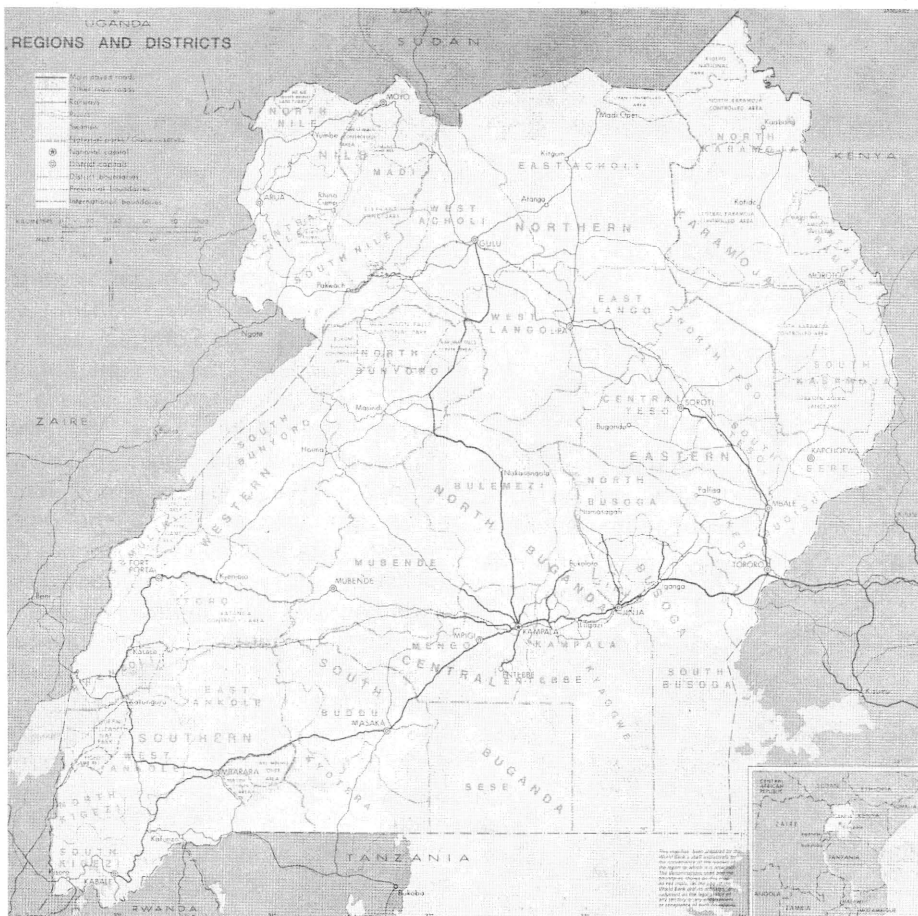
The government cannot shoulder the whole burden of reconstruction.

process of reform, much still remains to be done in order for confidence to be fully restored. The government has passed legislation which will restore all their property to those who were expelled, on condition that they return to take possession of such property within 90 days and undertake not to sell it within five years. After all this time it is not thought likely that many former owners will return but, as President Obote has said (see interview), the time has come to settle finally the question of title to property and to examine the ways and means of providing compensation.

However, those who do return will be seeking guarantees concerning their safety in view of the possibility that the restitution of property may give rise to violence. A businessman of Indian origin, who has subsequently settled in Canada, voiced his fears thus: "It would be normal that someone who, for 10 years, has inhabited a house which was given to him should feel animosity towards the person who is making him leave, especially if he does not know where to go. However, if the government can maintain security in the country, economic life can start up again".

This feeling that matters of security are at the root of Uganda's problems is apparently shared by many observers. However, all those living in the country acknowledge that in the last year there has been a marked improvement. Even in Kampala, although several diplomatic missions have kept armour-plating on their cars or have retained armed escorts, discotheque music has replaced the bursts of automatic gunfire which used to disturb people's sleep almost nightly. The occasional incidents which are reported are attributed to "bandits", as the government describes its opponents, who have resorted to arms and who are repeatedly asked to surrender them. In his New Year message to the nation, President Obote reported incidents in four out of Uganda's 33 districts, but the rest of the country remains calm. Many consider that peace and stability are all that the country that was once the Pearl of East Africa needs in order to regain all its former lustre. After all the years of ordeal, this is surely its due.

A. T.



you put it in front of the word 'rehabilitation' and you have a project."

Nowhere is the truth of this quip more evident than in the stock-farming and fisheries sector. The minister concerned, Mr John J. Otim, detailed the problems impeding the development of this sector: lack of vaccines, disappearance of imported livestock required for the cross-breeding programme, farms lacking equipment, hatcheries out of operation, shortage of fishing nets and boat engines, refrigeration and preservation equipment not in working order. The list of requirements is very long and the government has constantly to determine the priorities. Moreover, any fi-

The private sector must also play its part and, in the context of the newly organized and avowedly mixed economy, has been accorded an important role in the recovery programme. Already a number of large private investors have returned at the government's invitation and retrieved their property. Some, the Mehta and Madhvani families for example, have opted to run their former sugar plantations in association with the government through joint ventures. Others have assumed sole management of their property.

Although this partial restitution of the property of those expelled by Amin has marked the beginning of a

Makerere

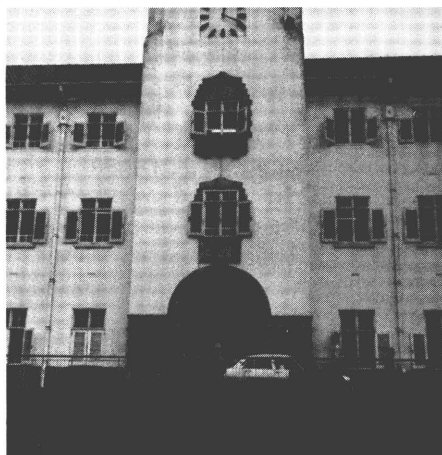
Building the future

Whether by chance or by design, the result is nothing short of a miracle: Makerere, one of the oldest and most prestigious institutions of higher education in Africa, emerged virtually unscathed from the civil war which devastated Uganda in 1979. The pillagers, who sacked so many more modest buildings, stopped short at the doors of the university as if they realized that violating this sanctuary of learning would gravely compromise the country's future. After all, the university's moto is: "We build for the future".

Neither the liberation forces nor Idi Amin's troops penetrated the campus, which for a time was even used to store goods and chattels from homes and shops in Kampala that the students had managed to save and subsequently return to their owners. The vice-chancellor of the university, Professor Asavia Wandira, confirms that Makerere was practically untouched by the war of liberation. "About seven or so staff houses were hit by the bombs, but we did not suffer the looting that the rest of Kampala did".

So why the decrepitude? For visibly, Makerere's buildings are not what they were at the start of the 1970s. "That was caused by 10 years of neglect and lack of replenishment", the vice-chancellor explained, "10 years during which a lot of equipment broke down and buildings failed to get the necessary repairs". These years, from 1970 to

1979, were those of the reign of Amin and there is no doubt that they were the blackest period in the university's history. As well as material deterioration, the university knew almost total isolation and lived introspectively—a mortal danger for a seat of learning and research.



Main entrance to the administrative building at Makerere

But worst of all, perhaps, is the fact that, during all these years, Makerere was directly under the control of the dictator who, as head of state, was automatically chancellor too. Idi Amin spared the teacher no humiliation. And after executing the vice-chancellor, he forced the successor to perform the ultimate farce of awarding him a university degree. At the same period, a large number of activities, research programmes and post-graduate teaching in particular, were cut or discontinued, as there

were no teachers or proper equipment.

A regional centre

Today that period has gone for ever, says President Milton Obote, the chancellor of the university, who intends to "restore the essential facilities damaged during that era of destruction, neglect and isolation and re-establish effective academic relationships between Makerere and universities abroad". There could be no better day for such a commitment than 3 December, Makerere's diamond jubilee, when there was a graduation ceremony for 1500 new graduates, one of whom was blind.

Makerere was 60 last year. It was in August 1922 that the technical college set up a year earlier on the outskirts of Kampala was named Makerere College, when it got its schools of medicine, veterinary science, agriculture, engineering and education. Gradually the institution expanded and, in 1935, students passed the Cambridge overseas school certificate for the first time. In 1937, there was a further step forward when a committee chaired by Earl de la Warr recommended that it cease to be a government institution and become an independent college, the higher education centre for the whole region, and become first a university college and then a university in its own right.

The de la Warr report was a turning point in Makerere's development. The Ugandan government applied the recommendations, gave the "new" college the present land and buildings and financed a construction programme. The war interrupted expansion, but, paradoxically, it was also the time during which the standard of teaching rose. In 1944, there was a further leap forward when the Asquith committee on higher education in the British colonies recommended that Makerere become a university college. This meant concluding agreements with the University of London, which was done in early 1950, and lectures for arts and science degrees from London began. The first graduates qualified in 1953. There followed a period of expansion in all the faculties. In 1957, degrees from the Makerere faculty of medi-



The university campus

cine were recognized by the British Medical Council and the following year, a university degree in agriculture was introduced.

But in 1963, with the creation of the University of East Africa, the special relationship with the University of London came to an end. This was only shortly before the independence of the other two countries of the East African Community, Kenya and Tanzania. Independence strengthened nationalistic feelings, as it did all over Africa, and special national institutions were set up in all fields, including higher education. So that was the end of Makerere as a regional centre.

But the university's contribution to training the country's elite and to the awakening of consciousness is something unique in this part of the continent. Makerere graduates are



Professor Asavia Wandira
Vice-chancellor of Makerere university

everywhere in posts of responsibility, in both the civil service and the private sector, in universities and in government. And, as President Obote said in his jubilee speech, while this is true of Uganda, it is also true of Kenya, Tanzania, Zambia, Malawi and, to a certain extent, of Zimbabwe. "In the countries of the former East African Community, we alone have two Presidents and two Vice-Presidents, that is to say two-thirds in each category".

Counting on friends

There are 5000 students at the university today. The student population expanded considerably after independence in 1962 and right up



New graduates and their families after the graduation ceremony marking the diamond jubilee of Makerere university

to 1970, when there was a huge demand for education. It began in the secondary schools and went on into higher education. Enrolments slowed up under Idi Amin, but when he fell in 1979, they expanded again. The biggest department with the most students, Professor Wandira said, is the faculty of arts and social sciences. But, he added, there are more enrolments in science than in arts.

There are many problems, obviously, not least the brain drain. Salaries in teaching are derisory, as they are in the other sectors of the economy; many teachers go abroad in search of more money. And as the university is not in a position to pay foreign teachers, vacant posts can only be filled with incredible difficulty. There is another problem—the overpopulation of university faculties and halls of residence (20 % of students are forced to live off campus). New laboratories have to be built, extra libraries are needed, and the kitchen, which ground to a halt years ago, has to be renovated. The isolation into which the Amin regime plunged the country and the university has to be broken down and frequent contacts re-established with other universities.

All this means money and lots of it, the foreign exchange which the Ugandan government so cruelly lacks. And, while recognizing that education is the foundation of all economic growth and plays a unique part in the well-being of the people, the government feels that the effects of it will only be felt in the long term. All the effects of the ongoing recovery programme are geared to sectors

which will soon bring in foreign exchange and enable the state to reduce its dependence on foreign aid. The government will help Makerere cope with its most urgent needs, certainly, but the university will have to look for other sources of its own.

And this is what it has started to do, using, as Professor Wandira puts it, "the international machinery" (the EEC, UNESCO and the UNDP) which has already helped break down Makerere's isolation by giving foreign teachers the opportunity to lecture there and Makerere teachers the opportunity to attend conferences and seminars in other universities. Tomorrow, it may help with the renovation of the buildings, the rehabilitation of the facilities or the expansion of the university. This will mean that Makerere can also count on the wide network of friendly institutions in the world, which have already begun to give practical shape to their desire to help with the restoration of its past splendours. The University of Pavia (Italy), which has a major cooperation programme with Makerere on the drawing-board, is one example of this.

But ultimately, Makerere's future cannot be separated from the future of the country as a whole. If reconstruction is successful—and it very much depends on the government's ability to establish and maintain security and stability in Uganda—then we can join with the chancellor in saying that "the worst that could have ever befallen Uganda, academically, economically or in the field of security, has passed." ○ A.T.

EEC Uganda cooperation ⁽¹⁾

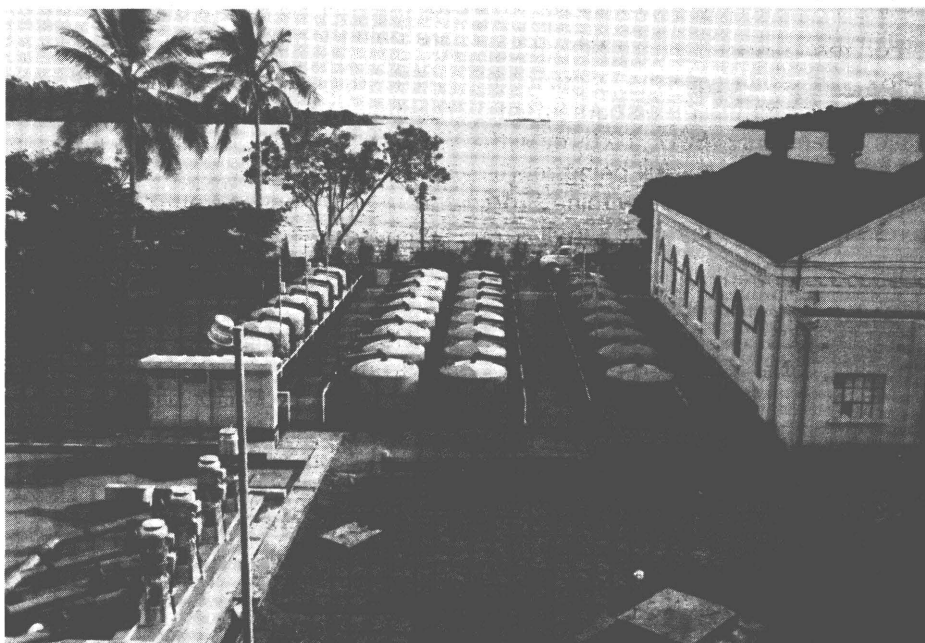
The cooperation between Uganda and the European Economic Community which started before 1975, with the Arusha Agreement and the Cheysson Fund, was significantly stepped up with the signature of the first Lomé Convention.

At the end of June 1982 disbursements within the Lomé Conventions amounted to \pm ECU 50 m; out of this amount, Stabex transfers and emergency aid represented respectively 45 % and 6 %, while disbursements out of the 4th and 5th EDF indicative programmes were limited to 49 %. This pattern, quite unusual in the ACPs, was determined for the following reasons:

- due to the continuous and blatant denial of human rights perpetrated by Amin's regime, the Council of Ministers of the European Communities decided to limit the use of EDF resources for social projects and avoid the financing of programmes which could have strengthened the Uganda government. Moreover, the 1979 liberation war and the succession of three governments before the December 1980 elections seriously delayed project preparation and implementation.

The ongoing 4th EDF programme was initially agreed upon in November

1979 and modified afterwards in early 1981, while the programming mission for the 5th EDF indicative programme took place only in May 1981:



The Kampala pumping station, which provides the town with drinking water, was rehabilitated with a 5th EDF grant

- during Amin's regime the low prices paid to the farmers and the over evaluation of the Uganda shilling brought drastic reductions in cash crop production together with

smuggling to neighbouring countries. This resulted in important transfers under Stabex which amounted to ECU 20.6 m over the period 1976-80 for compensation in respect of the years 1975-79;

- the situation prevailing after the liberation war and the drought in Ka-

ramoja justified various emergency aid programmes.

Disbursements during Amin's period amounted to ECU 6.7 m for Stabex transfers and ECU 0.3 m out of the 4th EDF indicative programme.

At the end of November 1982 only ECU 25.9 m were disbursed under the 4th and 5th allocation for programmable aid which amounts to ECU 158.6-170.6 m. Furthermore, ECU 17.7 m or 68 % of the amount disbursed, represents payments within the short term aid programme which was approved in 1979 with a view to contributing towards the rehabilitation of the various sectors of the administration.

Commitments under the 4th and 5th EDF indicative programmes are respectively ECU 68.3 m and ECU 18.8 m or 93 % and 22 % of the funds available.

Commitments for medium term operations including technical assistance for projects—identification and implementation—have been

Table 1
Uganda — 4th EDF indicative programme

4th EDF	ECU million	Implementation rate
— Technical assistance and studies for project identification	1.4	68 %
— Multiannual training programme	2.9	82 %
— Short term programme	19.3	92 %
— Line of credit to UDB	1.5	84 %
— Rehabilitation of Uganda Hoes	3.5	0 %
— Coffee rehabilitation programme	25.0	2 %
— Artificial insemination project	0.2	82 %
— Poultry rehabilitation project	0.5	72 %
— Animal disease control project	7.3	19 %
— Kampala-Masaka road incl. supervision	5.2	7 %
— Lake Katwe road	1.4	27 %
— Earmarked for national parks	1.5	—
— Earmarked for primary health care	3.8	—
— Reserve	0.1	—
TOTAL:	73.6	34.7 %

(1) From the EEC delegation in Uganda.

ECU 6.6 m in 1980, ECU 40.5 m in 1981 and ECU 27.4 m in 1982.

During 1983 many operations will be clearly identified and the uncommitted funds will be committed by the end of the year. Five project dossiers have been prepared during the second half of 1982 and the relevant financing decisions should be taken during the first quarter of 1983.

For the period January-November 1982, in spite of the significant amounts committed, disbursements have been only ECU 10.8 m with 38 % of this amount still being represented by payments within short term and emergency operations.

The European Investment Bank has so far granted two loans to Uganda out of risk capital resources. The first one (ECU 350 000) is for the financing of a feasibility study on the reopening of the copper mines at Kilembe. The second of an amount of ECU 10 m will on one hand, allow the government to cover part of its

subscription to an increase of Uganda Development Bank's equity capital (ECU 2.5 m) and on the other hand, provide UDB with ECU 7.5 m for onlending to medium-scale industrial, agro-industrial and mining enterprises.

As far as regional co-operation is concerned, some projects of interest to Uganda have been approved or are being identified:

The migrant pest control project recently approved for an amount of ECU 3.3 m will benefit Uganda as well as 6 other member countries of the Desert Locust Control Organization for Eastern Africa (DLCOEA) based in Addis Ababa, which will carry out the project.

ECU 1.5 m have been earmarked for a study of the fish resources of Lake Victoria which will be implemented under the responsibility of the *ad hoc* sub-committee set up within the FAO and including the 3 riparian countries.



A convoy of lorries carrying medicines which formed part of the emergency aid provided by the Community to Uganda in 1977

As so the improvement of the northern and central corridors full agreement has not yet been reached among the member countries on the distribution of the funds available.

Uganda will receive, however, ECU 14.5 m for the improvement of the railway Jinja-Kampala and the supply of 25 tanker wagons. Moreover, a decision should be taken in the near future on the road project to be financed between Kampala and Kigali: i.e. improvement of the Kabale-Gatuna, supported by Uganda and the directorate general for development or participation in the financing of the road Kayonza-Kagitumba-Ntungamo supported by Rwanda.

The above data shows clearly two distinct phases of EEC-Uganda co-operation:

— the first (1979-82) represented mainly by short term and emergency actions aimed at overcoming the tragic situation brought about by 8 years of Amin's rule and the liberation war.

During this phase many medium-term operations were identified.

— the second (1982 onwards) characterised by the identification and implementation of medium-term operations, which will contribute towards bringing the economy back to the levels of the pre-Amin period.

In line with the priorities set up in

Table 2
Uganda — 5th EDF indicative programme

	ECU million
5th FED	
a) Ongoing projects	
Multiannual training programme	3.8
Karamoja development programme	4.4
Rehabilitation of seed industry	9.5
Technical assistance and studies for project identification	1.0
sub-total:	18.7
b) Projets identified	
Kampala/Masaka Road (additional funds)	4.1
Kampala City roads	10.0
Water supply of Kampala	5.8
Rural electrification project	5.9
Wildlife and tourism	0.3
sub-total:	26.1
c) Projets to be identified	
Rehabilitation of training institutions	1.4
Agricultural projects, including tea rehabilitation project	17.5
Livestock and fisheries	7.6
Industry	8.5
Primary health care	2.3
Mining	0.9
T.A. and studies for project identification	1.5
Reserve	0.5
sub-total:	40.2
TOTAL:	85.0

the recovery programme 1982-84 community aid has as the main objective the rehabilitation of the administrative machinery, the capacity of production, the distribution system and the essential social services and infrastructure. This is indeed a huge task and its success will be a condition for the country to carry out, from 1985 onwards, the longer term programmes now being identified.

However, even though an important technical assistance component

for project preparation and implementation is included in the programme in order to increase the capacity of absorption and the Commission is ready to finance technical assistance for programme co-ordination, the success of the programme will mainly depend on administration motivation and commitment still affected by wage earnings insufficient to cover the bare necessities of life.

Tables 1 and 2 show the main features of 4th and 5th EDF national indicative programmes. ○

Investment in Uganda: an EEC role by Francis Okelo (*)

Through its various forms of assistance, principally the indicative aid programme financed from the European Development Fund (EDF), and through loans from the European Investment Bank (EIB), the European Economic Community (EEC) has made—and is making—a laudable contribution to Uganda's economic recovery. The EEC officials in Brussels, particularly those in the directorate-general for development and the Commission delegation in Kampala exhibit a remarkable appreciation of my country's economic problems and how best to tackle them. EEC-Uganda cooperation, therefore, has been healthy and active, particularly during the last three years.

But direct EEC aid, significant as it is, and even added to other sources of aid (e.g. the World Bank, IMF, UNDP, ADB, etc.), falls far short of the volume of external and internal resources estimated at US \$2 billion needed to rebuild the country's shattered economy. To request the EEC for increased aid would be the obvious thing to do, but totally unrealistic given the current economic turbulence in the Community. I strongly believe that the Community is in a position to greatly assist Uganda in one important area: the mobilization of private investment capital within its member states through the many direct and indirect channels available

to it. My belief is based on several factors.

First, the Community itself believes in the mobilization of private resources as a powerful complement to official aid. In its memorandum on development policy, it is stated that: "The Community will seek every possible means (*note the last three words*) of increasing the flow of non-budget money to the developing countries by mobilising money on the capital markets and encouraging private investment. It will examine the possibility of putting its own borrowing capacity directly at the service of developing countries". This policy statement cannot be clearer.

Second, thanks to the government's explicit determination and the assistance of the IMF and other organizations (EEC included), Uganda's economic recovery programme is being professionally managed, with

the right policy measures taken at the right time. The country has set out to pursue a new market-oriented policy in which private enterprise plays a crucial role. To be specific, last July the country adopted a two-year investment programme amounting to US \$736.5 million for the period July 1982 — December 1984. The investment programme (details available at the Uganda embassy, Brussels) contains detailed and specific projects in five main sectors: agriculture; industry and tourism; minerals and energy; transport and communications; and social infrastructure. In effect, the programme is a short term development plan designed to channel external assistance (including loans and grants) and domestic efforts into the five sectors which are most likely to show quick and positive results. The government, therefore, has something concrete on the table to discuss with any potential European investor.

Third, all foreign investments in Uganda are fully protected by law. The Foreign Investments Protection Act of 1964 has been revised and updated so as to make it more comprehensive and offer a greater protection to the investor, including repatriation of returns on the investment.

Furthermore, government decided to settle the problems of ownership of properties expropriated by Idi Amin. Former owners are free to repossess their property or opt for compensation. The ownership of property is a constitutionally guaranteed right that cannot be affected by changes of government or minister thereafter. The relevant Expropriated Properties Act came into effect on 21 February 1983.

Lastly, the complementary resources available to Uganda by way of private capital will not only help speed up its economic recovery, but—more importantly—help consolidate its newly-acquired democracy. Uganda today is a democratic country, surrounded, incidentally, by one-party states. But this democracy can survive only if it is firmly rooted in a strong, healthy and prosperous economy. As Pope Paul VI so rightly put it: the new name of peace is development. And my country needs both now perhaps more than ever. ○



Francis Okelo

(*) Ugandan ambassador to the EEC and chairman of the ACP committee on financial and technical cooperation.

ZAIRE

A vast country in search of greatness

Zaire no longer needs any introduction. People have read about it in the press and seen it on television throughout the world. Rightly or wrongly, since it became independent on 30 June 1960, what was once the Congo, the former Belgian colony, has been very much in the forefront of events crucial to the African continent and to multilateral Europe-USA-USSR relations, together with those countries where freedom fighters have fought or are still fighting wars of liberation. Opinions on Zaire are usually strongly polarized between those that are "for" and those "against", leaving very little room for any middle ground. And yet it is difficult to lay claim to any detailed knowledge of this multifaceted and complex country, the gravity of whose problems appears at first sight, and without any bias, to be matched only by its vastness and colonial history.

From a geographical point of view, Zaire is 80 times the size of Belgium, approximately five times larger than Cameroon, four and a half times larger than France or about one-third the size of Brazil. It is an immense territory where, as in the United States, one enters a different time zone after three hours flying between, for example, Kinshasa (the capital) and Kasai or Shaba (+1 hour). It has frontiers with nine other states. This vast stretch of territory is Zaire's future strength; but in the short term, it seems more like the most cumbersome physical obstacle in the way of the economic development and the construction of the state in its current centralizing structures.

Communications: the starting point

To understand the crucial role which communications can play in the overall economic, social and even political development of Zaire, some comparisons may be helpful. France, for example, a little more

than a third of the surface area of Zaire, has a motorway network of 5 287 km and a road network of 797 000 km, of which 29 000 km are national roads (RN), 347 000 km are departmental roads (RD) and 421 000 km are communal roads, the first three categories being entirely asphalted, of course. Germany and the United Kingdom, with an even smaller surface area, each have 300 000 km of national roads; and Australia, which is the same size as Zaire, has a 225 000 km network of asphalted roads.



Street in Kinshasa's business centre. The bustling capital is one of the very few big African cities not to be choked by traffic jams...

By comparison, Zaire has only 140 000 km of roads, in other words approximately 6 metres of road per km² of territory.

Of these 140 000 km, 60 000 km (20 000 km of national roads and 40 000 of regional roads) are directly administered by the state through the Office des Routes; there are only 2 000 km of asphalted road in the whole country. Most of the means of communication are generally impassable tracks and the local roads (communal roads) have been abandoned since 1960. This lack of interest in road infrastructure has been reflected over two decades by a very low percentage of state resources for this sector. Only 2 % of the na-

tional budget was allocated to roads, whereas most African countries devote 10 % to 15 % of their budgets to this sector.

By 1971 the public authorities felt very strongly that an adequate road network, which would complement river and railway transport, was the *sine qua non* of any true national development. Thus the Office des Routes was set up, with the aim of designing, constructing and maintaining the road network, as Jean Baudouin, French expert at the World Bank, explained to the *Courier*. But the office's resources did not match requirements. In 1982, the state allocated 250 million zaire (approximately \$50 m) to the office, whereas the total amount of international aid for the 1979-82 period came to \$100 million. For 1983-85, the contributions of international organizations will be of the same order; namely \$100 m, of which \$43 m

will be from the World Bank. This is not enough, bearing in mind the magnitude and costs of road construction in Zaire. The Kikwit-Batshamba road (80 km, entirely financed by the EDF, cost \$30 m; the Kisangani-Bukavu road (150 km) cost \$80 m and was implemented with aid from the EDF, Germany and the African Development Bank (ADB). It should also be noted that certain countries such as Saudi Arabia no longer contribute to the Office des Routes, and that the lack of fuel over the last few years has considerably slowed down its work. The history of economic and social development, both ancient and modern, has demonstrated the primordial role of communications in opening up the

wealth of all countries, large or small. Roads and railways have always been the forerunners of economic success. In Zaire, as in those countries which are now industrialized or rationally developing, the starting point should have been communications.

The economy at a standstill

We have seen that communications are inadequate in relation to the size of the country, which is one of the largest and most populated in Africa, and to its natural, agricultural and mining wealth, the greater part of the latter being strategic minerals. This failure to develop communications adequately is matched by a continual drop in economic activities starting in the 1970s. And although there was a slight recovery in 1979, which was maintained in 1980, by the end of 1982 the Zairean economy had once again come to a standstill. Generally speaking, the gross national product (GNP) has stagnated, the balance of payments shows a considerable deficit and the rate of inflation is fairly high. This decline in the economy is even more apparent when one examines all the sectors, and in particular the major ones.

greatest and most prosperous countries of Africa, and even of the whole world, in agricultural terms. This is unfortunately not the case. The reason, or more precisely the cause, can be found in the absence over the last 15 years of any serious agricultural development policy, together with the openly-acknowledged bad handling of the international funds intended for this sector. The absence of proper administration is all the more evident when one considers that before 1960, when the country gained independence, Zaire was largely self-sufficient in agricultural products and had considerable surpluses for export.

Shaba (formerly Katanga) for example supplied only 35% of the country's overall income and still exported maize, rice, groundnuts, cotton, etc. Shaba was even the second cotton producer of Africa after Egypt. Today it has to import most of its everyday consumer products from neighbouring countries, in particular Zambia and South Africa.

Naturally the Zairean authorities explain the general collapse of agriculture following independence by the succession of political events which followed, in particular the various secessions (Kasai and Katanga), and by the refusal of the people who

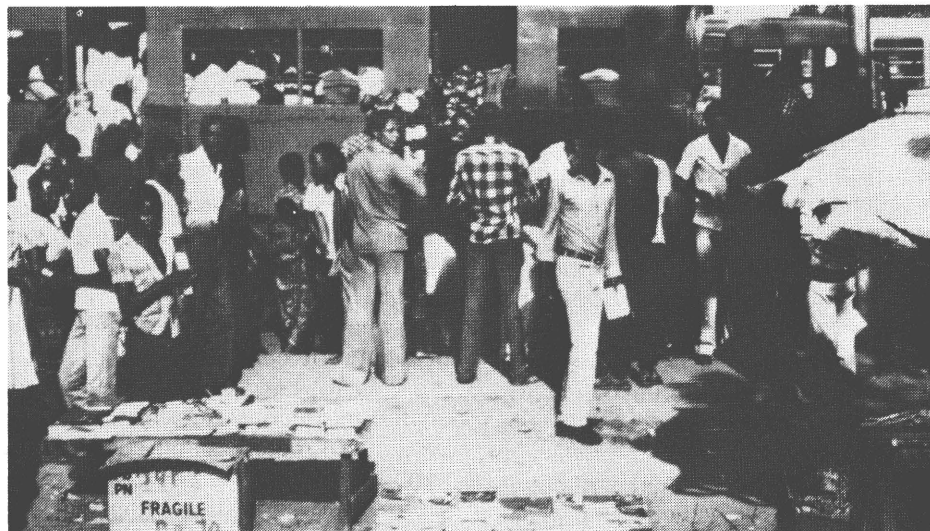
colonial authority. This system had nonetheless enabled the whole of the Zairean territory to produce sufficient food products and exports (cotton, palm oil, coffee, tea, gum arabic, cocoa, etc.).

In addition to this rebellious attitude towards agricultural work, which for many new citizens appeared to be merely the same old 'compulsory work' in the interest of new masters in the shape of big multinationals such as Unilver, there was the attitude of the former colonial authorities who, as the secretary of state for agriculture explained, had dismantled most of the infrastructure before leaving the country. However this does not explain the lack of interest since then in the agricultural sector, where investment in 20 years has risen from 1.5% to only 9% (1982) of the national budget.

As a result, two decades later Zaire is now only a small producer of exports: coffee, for example, has stagnated and deteriorated in quality and the country is even finding it very difficult to feed itself. This can be seen both in the big towns (Kinshasa and Lubumbashi) and in the countryside, where even subsistence agriculture is on the decline.

In 1982, private American suppliers were called in to deliver approximately 55 000 t of wheatflour to Zaire, at a barely competitive price. Products from South Africa are flooding Zairean markets and nobody hides the fact that without these South Africa imports certain regions such as Shaba or even Kinshasa would have great difficulty in getting food supplies.

It is this situation of repeated failures in Zairean agriculture, verging on a crisis, together with a considerable drop in mining revenue, which led the government with the support of foreign providers of funds to adopt a three-year agricultural recovery plan (1982-84). This would provide a new approach to the agricultural problem and, as the document from the ministerial department stipulated, was based on the need to conform to reality, to what was practical and possible. The strategy contains specific objectives, such as an increase in food crop production with a view to self-sufficiency in the medium term, expanded agricultural production, support for local industries and



...yet public transport is inadequate for Kinshasa's 3.5 m population — it needs a sprint to catch a 'taxi-brousse', especially during petrol rationing

Agriculture: all the ingredients for success, but...

If ample water and fertile soil were the prerequisites for agricultural success, Zaire would now be one of the

had finally achieved the status of "citizens" after being "subjects", to belong still to the TOE system (Travaux d'ordre éducatif = educational training) which was in fact a system of compulsory agricultural work set up in each region by the

an increase in cash crops. According to the Ministry of Agriculture, the 1982-84 recovery plan is made up of a number of integrated food production projects and social measures which call for considerable foreign resources. It is estimated that more than half the financing could come from abroad. According to certain sources, investments during the first two years of the plan will come to \$359 million, of which approximately \$218 m will be from foreign financing. The donors have already committed \$205 m in foreign currency and the balance will have to come from the state; the donors will also finance other smaller projects for \$33 m.

Among the projects undertaken by the various donors, the World Bank (\$5 m) in cooperation with the UNDP, France and Germany will contribute to a technical assistance programme for an amount of \$6 m.

The Zaire Development Bank, SOFIDE, will provide credit of \$7.5 m for projects involving the production and marketing of certain products, in particular maize in Kasai East, integrated rural development at Ituri, Kivu and Kwango-Kilu, as well as forestry projects in the Equateur region and sugar at Kiliba.

The major bilateral provider of funds include Canada (\$34 m), the USA (\$32 m), Italy (\$18 m as a contribution to a \$50 m project), Belgium (\$9.6 m), Germany (\$8.5 m), the United Kingdom (\$5.2 m) and France (\$3.6 m). The fairly low figure for France means simply that it is contributing more to other sectors.

An example of an integrated development project

The Cederim integrated rural development centre at Mweka in Kasai West is a good example of the kind of development projects and social measures defined in the 1982-84 agricultural recovery plan. The aim of Cederim is to set up a system of agricultural production measures according to an integrated pattern by simultaneously providing the 220 000 inhabitants of the locality with the means to market their products. Social infrastructure such as communications, schools, dispensaries and water supplies will be imple-

mented so as to provide the population with all the facilities needed to take part in the project. Mweka is a relatively poor locality, situated approximately 1 000 km from Kinshasa. Owing to a lack of infrastructure the population carries out subsistence agriculture according to traditional methods which tend to progressively impoverish the soil and therefore force the peasant farmers to look elsewhere for available fertile land.

The centre at Mweka, financed by EDF, is managed by Watula Kisambalwa (director) and Peter Schimann (co-director) and employs a staff of 17 technicians, seven of whom are European.

The main objective of the Mweka experiment is to teach the peasants to grow crops according to the most suitable methods. For example, once the maize has been harvested, a legume crop is planted to enrich the soil. After a period of five to six years, the previous crops are sown once again, thus preserving the soil. The Cederim management feel that, in the light of results obtained fertilizers could be used where necessary and when required, through this is not yet the case.

Difficulties arising in the project are more of a psychological nature. Should the experiment prove a failure, the peasants are likely to give up. Therefore potent incentives must be provided, although the peasants do have a positive approach to all the ongoing projects because they can see for themselves that the forest land, which is fertile, is getting sparser. Seeds must also be supplied and this is where the Benalongo experimental and plant propagation centre comes in.

The station, which was set up in 1957, was abandoned in 1960 after independence because of the ensuing political disturbance. It was reopened in 1976 to get agriculture started up again. Where it once covered 560 ha, the station now only covers 260 ha of primary forest and deforestation has therefore had to be halted. Experiments are carried out on the following crops:

— maize: 35 ha of crops yielded 28 t in 1981. This promising start led to 54 ha being sown in 1982, 30 ha with maize of the Kasai 1 variety and 1.5 ha with the "pied de

cuve" variety, in other words the first seeds of the original variety. No fertilizer is being used at present but may be used in the future;

— the station grows other crops such as soya (14 ha in 1982) of the S 127 variety, but this has not taken well even though the rainfall is very good;

— paddy rice is very successful (ripening period: 180 days), in particular the R 56 variety perfected in 1948 and which provided 1 t of rice per ha in 1981. Experiments are currently being carried out on a new variety of Malagasy mountain rice;

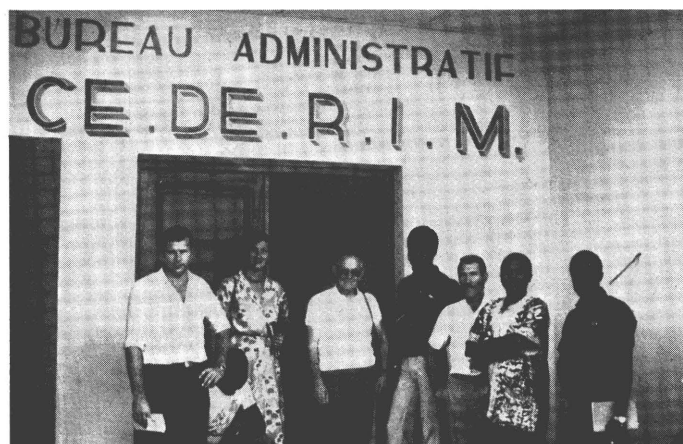
— groundnuts (A 65 variety) yield 1.5 t per ha, or approximately 70 kg of husked groundnuts.

All the crops grown at Benalongo are distributed to the peasants through the extension services, since the aim of the station is to produce enough seeds which are ecologically adapted for the local farmers, in particular maize seeds.

Since the latter is a plant which hybridizes very quickly, in order to multiply the yields it is necessary to use pure varieties which are obtained through isolation. The peasants are unable to do this because the lack sufficient adapted seed stock.

The major difficulty experienced by the staff of the Benalongo experimental station in the context of the Cederim project is that they cannot easily obtain the original plant stock because of inadequate communications. Up to now the EDF has transported these seeds, but the problem will remain the same until the Zaire government has carried out its project of providing one seed stock unit per region. Cederim is a good example of what should be done in village communities to solve limited food problems. It cannot, however, pave the way for large-scale agriculture in such a large country, which requires projects of much greater scope. This is no doubt why the sector has been reprivatized and why certain big undertakings such as Gécamines and Renault Zaire have also been called in to help in the agricultural recovery.

The Gécamines mining company in Zaire is the major importer of maize, the main food of its 35 000 employees. Its supplies are bought in Zambia and in South Africa, and yet Shaba is a region which is highly suitable for growing this crop. Bearing in



The Mweka (Kasai) centre for integrated rural development is run from these offices: left, Peter Schimann (Cederim co-director) and (6th from left) Watula Kisambalwa (Cederim director) are pictured with René Roosen (5th from left), agricultural adviser in the EEC delegation, Kinshasa



Cederim heads visit a manioc field with an assessment team

mind that before independence this region, on the contrary, exported maize, the executive council (government), which had had the vast property of Kaniama-Kasese returned to it by Belgium in 1980, asked Gécamines in 1981 to take it over once again. This is a large-scale project which could enable the mining company to meet its needs entirely in less than four years and to export part of its production to other regions of the country, or abroad in order to earn foreign currency. With the considerable technical means (mechanization) and its disposal, Gécamines could improve the current yield of 20 000 t of maize (1981) on less than 4 000 ha (3 117 ha to be exact) and bring it up to some 50 000 t in 1985 on 10 000 ha.

There is, however, one difficulty which could stand in the way of Gécamines participation in the current plan. According to the management of the mining company, the Zaire government would have to transfer the property rights for Kaniama-Kasese to Gécamines. It claims that it

would be unable to invest and produce on such a large scale without having the free hand which ownership would provide, in order to freely define the policy needed to run the operation in the best possible way.

For its part, the Renault-Zaire company has undertaken to produce maize and manioc on the Bateke Plateau. In 1982 it estimated a yield of four to five tonnes per ha by using hybrid seeds and applying fertilizers. Maize and manioc production in 1984 should be 2 000 and 1 500 t per ha respectively.

In the extreme south of Shaba another company, Sodimiza, will also grow maize for its workforce. As from last year it planned to harvest 3 000 t per ha. The table below forecasts the yields for these three companies up to 1984.

This brief and cursory description of Zairean agriculture shows to what extent it shapes economic success. Abandoned for over two decades, it is now somewhat belatedly apparent that there can be no successful in-

dustrial policy without flourishing agriculture, since income derived from other more profitable sectors is swallowed up by imports of food and energy products. This has been the case in Zaire, where the mining sector, which has been declining for internal and international reasons (slump in copper and cobalt prices), has at the same time dramatically cut the country's income and means of action (see *Shaba: the 'strong-box' of Zaire* p. 44).

Mineral resources

These have been Zaire's main source of money income since it became independent. The country's entire economy has been based on mineral resources, and in particular copper and cobalt from Shaba and diamonds from Kasai. It is true that the importance of the country's mineral raw materials has an international dimension. It is estimated that Zaire has about 50 % of Africa's raw minerals, the bulk of which is made up of strategic ores.

There was a drop in the prices of copper and cobalt, ores which occur together, and this trend was accentuated in 1978 with the events in Kolwezi. Although the recovery began in 1982 (505 000 t) for copper, its export price virtually collapsed on the world market owing to the international economic crisis. The same happened to cobalt, with an output of 16 000 t a year, of which 60 % was produced in Kolwezi.

However, in view of the position of these raw materials in Zaire's whole

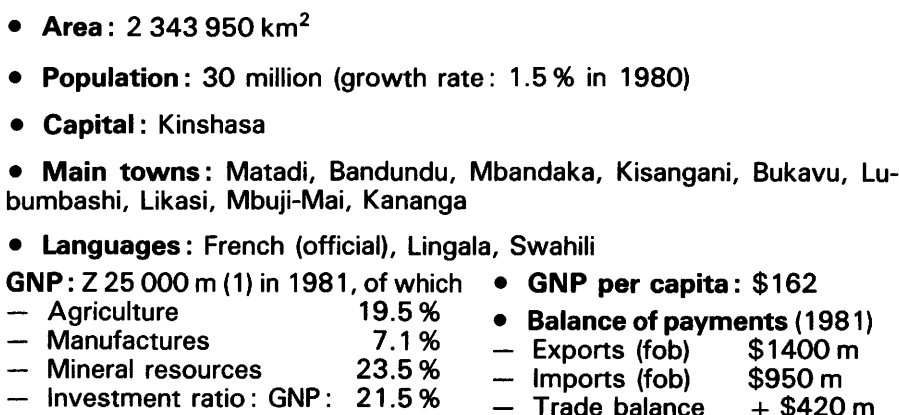
Maize production						
						tonnes
Regions	1979	1980	1981	1982	1983 (estimates)	1984
Kinshasa						
Renault-Zaire						
Shaba			300	1 500	2 000	2 000
Gecamines-Cepse-Likasi	10 500	14 200	20 000	30 000	35 000	45 000
Gecamines-Kaniama-Kasese	5 400	2 600	5 000	6 000	7 000	8 000
Sodimiza	1 500	2 000	2 500	3 000	3 000	3 000
Total	17 400	18 800	27 800	40 500	47 000	58 000

The importance of the Shaba mines is crucial not only in national terms but also—especially—at regional level. One has only to visit places in Shaba such as Lubumbashi, Kolwezi and Kipushi to realize the unique role played by mining and the human drama which can unfold as a result of the closure of the mines. It is copper which keeps Shaba and Zaire alive. The copper mines are to Shaba what the Ruhr and its coal mines are to the Federal Republic of Germany. One has only to think of the battles being fought by European steel workers in order to understand the importance of the mines to the life of Shaba. Directly, copper provides 33 000 people with a living and indirectly it accounts for 70 % of the country's income.

Admittedly there is not only copper, cobalt, gold, etc. in Zaire. This prodigious country also produces a large quantity of industrial and gem diamonds. In 1982, the official production figure was 7 million carats. This figure is deceptive since the losses caused by fraudulent sales via Congo and Burundi are estimated at over \$200 m; this phenomenon also affects other products, such as coffee.

Zaire's monetary problems are linked with its economic difficulties. This applies to Zaire in the same way as to any other country, developing or industrialized. Monetary stability depends on the balance of payments. Zaire had a deficit of almost \$3 500 m in 1982, and this does not augur well for 1983 or for the immediate future.

Given these rather daunting economic prospects — as measured at the end of 1982 at least — the gov-



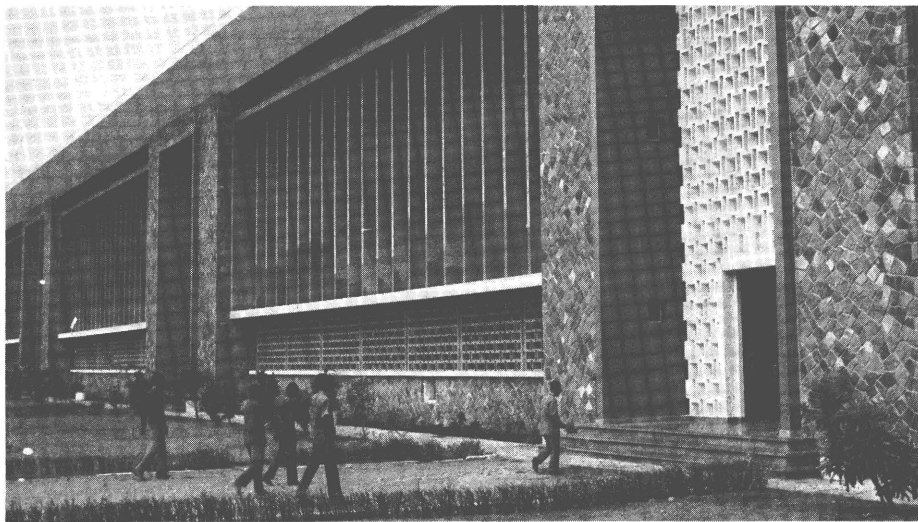
There has been a marked reduction in the main imports, notably industrial spare parts and oil. The oil bill has dropped from \$25 m to \$8 m per month and petrol prices were raised from Z 5.5 to Z 12.5 per litre in mid-December 1982 (+ 127.77 %); overall fuel consumption was cut by over 60 % and rationing meant petrol queues before the price rise.

(1) 1 Zaire = ECU 0.19.

The map is published by kind permission of *Europe Outre Mer*

ernment decided to launch a very vigorous recovery plan. Measures were taken to make the administration of public funds more efficient (see interview with the First State Commissioner).

At the same time, with regard to monetary matters, there has been better control of the money supply. This supply has also increased considerably, partly because there is no bank credit. Although this has hin-



Louvain University in Kinshasa (science section). Despite enormous educational problems Zaire has nevertheless made important progress in training skilled personnel when it is remembered that at independence in 1960 the country had no doctors

dered investment credit and has therefore lowered the level of economic activity, it has helped lower inflation, which in 1982 fell to 35 %.

The reduction of inflation by stagflationist tactics will not, however, stabilize the situation and bring about a proper economic recovery. Measures must also be taken on the wages and salaries front. The excessively low level of wages and salaries in Zaire means that they do not act as an incentive to production, since prices are totally independent (i.e. rise totally independently) of the level of incomes. The highest salaries in Kinshasa are estimated at only Z 800, whereas in the interior they range from Z 150 to Z 250. All the international experts agree that such wage levels must inevitably undermine the profitability of every economic operator. Especially as, by contrast, expatriates, who are paid in foreign currency, find themselves in a situation which expatriates from other African countries would envy. To quote an example given by an expert, a Zairean worker earns Z 4 an hour, as opposed to the \$45 an hour earned by his expatriate counterpart with the same level of skills.

This state of affairs also contributes to the state's loss of earnings because of the non-repatriation of invisibles, or the fraudulent export of some foreign currency earnings.

Economic and monetary recovery is therefore the top priority and an essential prerequisite if Zaire is to play a role in keeping with its poten-

tial stature in terms of its economy and human resources. It is also the prerequisite for the success of major projects launched by the government in order to equip the country with infrastructure designed to pave the way to its economic independence.

These major projects include the deep-water port of Banana, in the Atlantic Ocean estuary, and the free zone of Inga, designed to obtain a return on the enormous electricity resources yielded by the Inga dam.

The EEC has already financed the preliminary studies on the port. The cost of the works, which will comprise a 200-metre ore quay and oil depots, is estimated at about ECU 230m. The total investment (\$1000 m) is fully justified in that Zaire is also aiming to set up, with an international consortium, an industry for processing 400 000 t of aluminium a year into 150 000 t of finished products for domestic consumption and for export in order to achieve a healthy trade balance.

Education and health

Zaire, as President Mobutu points out in the interview which follows, is not an easy country to run. Its difficulties reflect its size and its history up to only some 15 years ago. Given the fact that the Zaireans had to start from scratch, since the legacy from colonization was very small, education, training and health tend to be the poor relations. This is not peculiar to Zaire, it is true, since most African countries are in the same

boat. The scale of the health and education problems in Zaire is such, however, that vast efforts to organize and finance infrastructure are required in order to obtain the beginnings of a solution. The initial efforts will have to be directed at revamping the teaching profession, teachers' career structures and training, and an improvement should naturally be sought in the quality of education and health care. In this latter sphere, the main task is to increase the number of centres and the quality of the primary health care which they provide, and to focus more on preventive medicine. International aid will be essential for this and the European Community is financing major projects involving a teacher training college in Gombe (Institut Supérieur Pédagogique) and, in the sphere of technical training, the Institut Supérieur des Techniques Appliquées (ISTA) in Kinshasa, to mention only two.

If one visits Zaire, and not just the bustling city of Kinshasa with its 3.5 m inhabitants, one realizes that it is a big country and needs a great future. One realizes that certain pessimistic views held in other countries do not reflect reality, even though some assessments are due to the bad impression which the government often created up to the end of 1982. It is also a large country where the work of building up the nation, albeit very difficult, has in fact been carried out because back in 1965 the present head of state, having ascertained that strength could not be achieved merely by calling for union, realized that the strength of ideas could achieve union. The economic difficulties arising from the international crisis and inefficient administration are not the inevitable occurrences some analysts make them out to be — they can perfectly well be overcome if the political will is there. This is no doubt the aim behind the appointment of Kengo wa Dondo as Prime Minister and of some major decisions regarding certain wayward senior civil servants. The resolution of the third MPR congress at the end of 1982 called for even firmer support for the head of state and the government; this congress also called upon President Mobutu to stand for the presidential elections in 1985. ○

LUCIEN PAGNI

President Mobutu: "We want to stay clear of the ideological rivalries which are splitting the world today"

Interviewed by the *Courier*, President Mobutu Sese Seko of Zaire talks about the major economic problems facing his country and its relations with the rest of the world, including Belgium, the United States, the Arab countries and Israel, and discusses the Zairean desire for closer cooperation between African states to foster economic development and press for a final end to minority rule in Africa.

► *President Mobutu, what do you think are the root causes, internal or external, of the serious economic difficulties Zaire is experiencing?*

— In the first place, let me tell you how much I appreciate the *ACP-EEC Courier's* high standards of coverage. Here you are in Zaire getting first-hand experience of the country and your visit coincides with a particularly important event in our national affairs, the third congress of the Mouvement Populaire de la Révolution, our national party, within which the whole Zairean nation is now politically organized.

As we said at our congress, Zaire is fully aware of the critical economic situation it has been in since 1973, the root causes of which are both external and internal.

I'll start by looking at the internal causes, since in Zaire we have always accepted that the main effort has to be internal; we must rely first and foremost on ourselves. But you more or less have to go back to the colonial period to understand the root causes of our economic difficulties, which are mainly to do with the structures bequeathed to my country by its 80 years of colonization.

Zaire is about as big as the whole of Western Europe put together, in other words bigger than the present



President Mobutu

"Zaire will never be a wagon hitched to someone else's train"

common market; four-and-a-half times the size of France, 80 times the size of Belgium, the former colonial power, 10 times the size of West Germany. The whole structure of the Zairean economy was designed and built up during the colonial period to serve external interests; the routes for import and export traffic in raw materials, commodities, spares, equipment and so on were all established in this way.

So apart from air transport, Zaire inherited just five main trade or supply routes: the southern route, through Lubumbashi and Dilolo to Benguela in Angola; the eastern route, via Kalemie and Kigoma to Dar es Salaam in Tanzania; the north-eastern route, from Kivu through Uganda and Kenya; another southern route from Lubumbashi to Beira in Mozambique; and the domestic route, over 2 500 kilometres from Lubumbashi to the mouth of the Zaire river in our 37 kilometre "corridor" on the Atlantic coast.

It was because of this transport situation that the international community — the UN, the ACP-EEC, and the ECA — eventually agreed to recognize Zaire as a semi-landlocked country. A disruption in the movement of goods and services in any of our nine neighbouring countries has always had incalculable repercussions.

sions on the movement of goods and services within Zaire itself.

So since 1975, when the Dilolo-Lobito-Benguela railway was destroyed in the Angola civil war, the southern route, used by industry in Shaba (south-east Zaire) for almost 60% of imports and exports, has been closed. That problem has been with us for almost 10 years now.

The alternative southern route through Zambia, Zimbabwe and Mozambique has also been closed by the blockade imposed by Mozambique to speed up the process of independence in Zimbabwe.

The eastern route through Tanzania is constantly being damaged by landslides along the Kimoga-Dar es Salaam railway. For almost a decade it was also extremely risky to use the north-eastern route, since goods traffic through Uganda was so much at the mercy of that country's unstable relations with Kenya.

That leaves us with the domestic

route, which not only needs repairs and upgrading inland, but still involves transshipments at Kamina, Ilebo, Kinshasa and Matadi.

That's one set of internal problems.

The second thing is that the outward-oriented Zairean economy has always lived mainly on its earnings from exports of minerals and to some extent of agricultural commodities, coffee in particular. The transport problems have affected both mining and export crops, so that production has stagnated, inevitably, and our plans to increase capacity, which were meant to get under way in 1970, have had to be put on ice, tying up more than \$300 m.

Gecamines' copper production was meant to rise from 470 000 tonnes in 1975 to 570 000 tonnes in 1978 and 600 000 tonnes in 1980; instead, it fell to 368 000 in 1979, picking up again to 425 000 t in 1980, 468 000 t in 1981 and an estimated 466 000 t in 1982.

A third cause is to do with our national administrative and managerial capability, which we realize was very weak at the time of independence and had not been adequately consolidated when the world economic crisis started in 1973; that was also the year of the Zaireanization and radicalization of the productive sector of our economy.

The external causes, which are familiar worldwide, are briefly the virtual thirtyfold increase in the price of petroleum products since 1970, the deterioration of the terms of trade as a result of the rise in prices of imported manufactures and food, and the steady decline in the price of export commodities like copper, cobalt, coffee and diamonds. In addition, the burden of external debt has increased.

Zaire's external indebtedness has increased more or less tenfold in less than 10 years, in the first place because of our economic partner's confidence in Zaire in the second half of the 1960s and the early 1970s, and then because of the continual rise in interest rates and the staggering appreciation of the dollar, and the short grace periods and maturities our creditors accorded us. Also, of course, there has been the phenomenon of world inflation.

► *To what do you attribute the failure of Zaire's agriculture? What resources are to be deployed under the 1982-84 agricultural revival plan?*

— Failure is rather too strong a word! It's more a matter of the stagnation of agricultural production in general as a result of a number of well-known constraints to do with finding the finance for agriculture, improving marketing arrangements, setting prices which will provide farmers with big enough returns and incentive, supplying inputs and basic manufactures, and improving intervention and technical extension services to farmers.



Help from international sources is very important in the plans to revitalize agriculture. Here evaluation experts visit a Cederim maize field at Mwaka which was financed by the EDF

"The troubles of Zaire's agriculture spring from the deterioration of outward communication routes and the disruption of distribution channels"

We now feel we are gradually but finally going to be able to overcome these constraints.

The 1982-84 agricultural revival plan is based on the achievement of these preconditions, and the emphasis is on rehabilitating existing productive capacity.

To boost production we are look-

ing essentially to integrated rural development projects, agri-industry, religious bodies and cooperatives, which will not only be production units but will provide support services for local small farmers as well.

We will be mobilizing the money for all this, in zaires or foreign currency, from every available source: the economic recovery fund, counterpart funds, the budget of the department of agriculture, loans to the economy, and contributions from friendly countries and international bodies.

► *What about the decline of the important mining sector, and its inability in prosperous times to channel more money to agriculture, which is a better foundation for economic development?*

— If you think back to what I have just said about the causes of Zaire's economic difficulties you can see that our copper industry was bottled up, throttled by being in the interior of the country. Its problems not only have to do with supplies and exporting, but also with the commissioning of investment projects started before the economic downturn.

Another important point is that in 1977 and 1978 Gecamines, the main mining company, was hard hit by the two Shaba wars, which again were something imposed on us from outside.

This situation has had a considerable effect on attitudes in the mining industry.

In what you might call the prosperous times, you must remember that Zaire was facing a development challenge going beyond agriculture. The consolidation of national unity, which has been dearly bought in a country with over 450 different tribes, dictated a policy of large-scale public works, including the development of communications, town planning, and economic and social infrastructure.

From 1967 to 1972 Zaire had an average growth rate of 6% a year.

The troubles of Zairean agriculture are primarily due to the deterioration of outward communications and the disruption of distribution channels. In connection with the mining industry, however, it should be pointed out that for years now we have been

using Gecamines' earnings to keep the Shaba flour mills going, to supply the whole region up to the Kasai border.

► *Zaire's high level of indebtedness has prompted international creditors including the IMF to cut back or impose draconian conditions on new lending. What are the causes of this indebtedness, and what do you intend to do about it?*

— Zaire's high level of external indebtedness is due among other things to the deterioration in the terms of trade, the increase in the oil import bill, the appreciation of the dollar and the rise of interest rates on the financial markets. These factors have more or less exhausted the country's external payments capacity. In addition, as I said just now, the loan maturities and grace periods granted to us were very short.

"The failure of the IMF's programmes in Zaire"

At this point, it can be said that the failure of the programmes we worked out with the IMF, for instance, has often been due to solutions being chosen which did not take account of the economic adjustments and recovery needed.

As we see it, the problem of the country's indebtedness can only be solved by the rehabilitation and revival of our export capacity, and this has first claim on export earnings and external aid. But our partners are concentrating entirely on trying to find more external resources for us to pay off increasingly costly loan arrears.

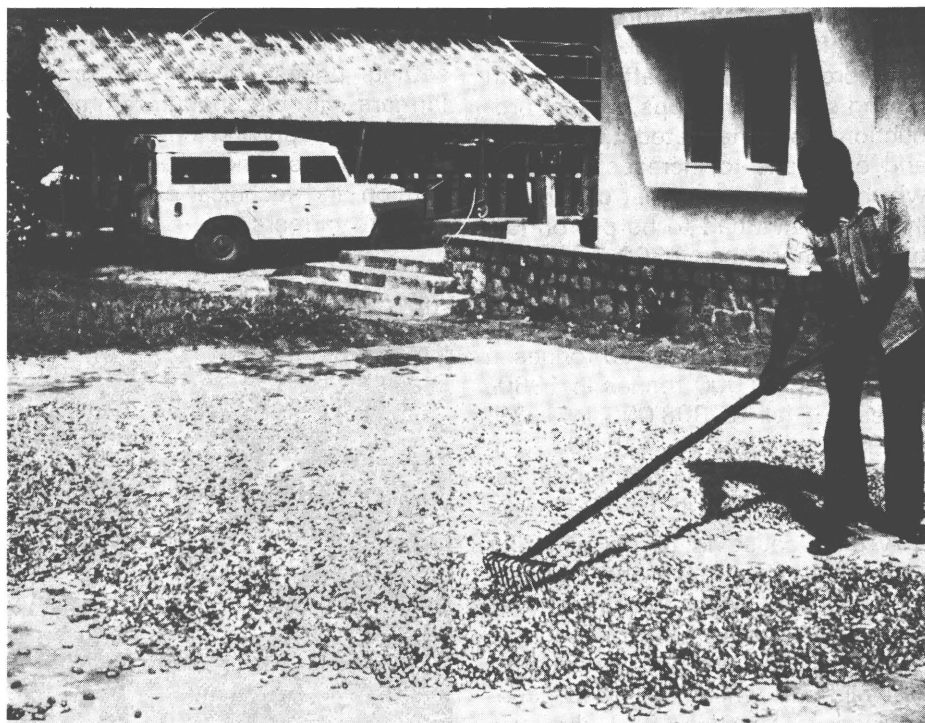
So we feel that the draconian conditions imposed on any new transfers to Zaire have to be adjusted to the realistic approach we are advocating, which consists basically of allowing long enough grace periods to give time for our existing productive and exporting capacity to recover and revive, and using external funds to finance supplies for our domestic and export producers. The Community, incidentally, seems to be coming round to this approach, as it has approved a Sysmin loan to Gecamines without tying it to any co-financing operation.

In any case, we intend to go on doing our best to tighten up the management of the little foreign currency we have.

► *You have often said that you have achieved the objective of national unity. What reasons, indications, lead you to feel you have succeeded in this area?*

"We have succeeded in forging a nation"

The governors of our various regions come from other parts of the country, and as you will have seen, there are no protests, their authority is well established and they feel quite at home. The same thing applies at the sub-regional, district and lower



Drying groundnuts at the experimental farm and nursery at Benalongo in Kasai province. The output of small farmers could be considerably increased by improved seeds, higher gate prices and better physical communications

— Not just indications — facts. National unity and the pacification of the country are the finest achievement of the drive which has been going on in Zaire since 24 November 1965. What's profoundly true doesn't have to be demonstrated — it speaks for itself.

As a journalist, Mr Pagni, you have a certain feel for things, as they say in the jargon. You have a certain discrimination, you're in the habit of analysing and commenting with great frankness.

You have been quite free to travel all over this enormous country, you've met people from different tribes, which all have their own dialects, customs and traditions, of course, but as you have seen, in another sense they all speak the same language, follow the same lead and obey the same chief. This is what we call unity in diversity.

levels, and in the magistracy, the army, private business and the parastatals. This is something we have come to regard as quite normal, but it would have caused terrible tensions before I took over in 1965.

Nowadays our young people get married without bothering too much about what tribe their partner comes from. Other things are more important to them.

There are other indications to judge by; for instance, the marvellous show of national solidarity at the time of the two attacks on our country in 1977 and 1978, in the Shaba region, which you have been visiting. Contributions in cash and kind came in from all over, to support the war effort and help the communities affected. As chief, I was very touched by this surge of solidarity, particularly as I was at the front myself.

We have succeeded in forging a nation out of the 450 or so disparate tribes in this country, thanks to the Mouvement Populaire de la Révolution, which we regard as embodying the whole Zairean nation.

Here in Zaire we have our tribes, our regions and our clans, but we will not have tribalism, regionalism, clanishness. That is our achievement, our unity in diversity.

The notion of the chief and his role

► *Do you think that the president of a republic can really be compared to the traditional figure of the chief, who ruled over a small number of people in a limited area, and had no money or army?*

— Please, Mr Pagni, don't fall into the same trap as so many of your colleagues have done, by trying to judge us according to patterns which may suit some people but are totally foreign to us. A lot of your colleagues like to play up the idea of opposing forces, stark contradictions, they satirize their chiefs in the press and think nothing of it.

For us the chief—the president, the traditional chief, whatever—the chief is the guardian of his people's welfare. He has primary responsibility for order in the country, and for the people's safety; he is their bulwark against all dangers.

Ours is a society of juxtaposition, not opposition. Obviously, in that situation the chief has the final word. That doesn't mean he has no need of counsel, opinions and advice from his helpers, of wise men, or that he should be deaf to criticism and closed to constructive suggestions. But there has to be a degree of discipline in the deliberations, respect for elders and the chief, as well as the necessary frankness.

Of course, becoming part of the modern world we have had to accept all kinds of strictives on the ways power can be exercised, but while observing these standards we have not changed our own basic concept of authority and power. For instance, the Mouvement Populaire de la Révolution, of which I am the president, comprises a number of bodies—the comité central, the bureau politique, the conseil législatif

and so on—each with its clearly-defined function. I don't interfere with their work, but I am as a matter of course the supreme arbiter.

And believe me, when anything in this country goes wrong, my fellow Zaireans turn to me. They look to the chief — a single chief, not two or three. A creature with two heads on the same body is a monster, to our way of thinking!



President Mobutu with Claude Cheysson, now French foreign minister. Zaire wants to strengthen its bilateral relations with France and the other members of the European Community

► *You said recently that a lot of people are "jealous" of you. Who is jealous of you and why?*

— As I always say, life is not easy when you are Zaire. Just think of the size of the country, its position in the heart of Africa, the enormous potential wealth of our soil and subsoil; think of the way we live, free, authentic, proud of the way we are, clear

of the ideological rivalries which are splitting the world today. In that situation, like it or not, we attract a certain amount of attention.

People trying to pillage and resources and ruthlessly exploit our wealth, to hang on to monopolies, come up against our determination to regulate these operations. Naturally, they're not pleased with us. There are constant wrangles and blackmail.

Again, people peddling foreign ideologies in Africa cannot forgive us our authenticity, our refusal to imitate anybody else's ways.

You can see that we are facing hostility and problems on every side, and all this leads to destabilization attempts, attempts at brainwashing, all sorts of manoeuvres solely designed to do us harm and distract us from our development efforts.

It appears that some people would rather not see Zaire big, strong and prosperous. And it's only the tree with fruit that gets its branches shaken.

"Ups and downs" with Belgium, but "we try to preserve our relationship and narrow the areas of disagreement"

► *How do you view relations with Belgium and the United States?*

— This is a question which seems to fascinate journalists. Well, to start with, Zaire has diplomatic relations with a great many countries, not just those two.

Relations with the United States of America are very good. There have been the odd chills now and again. But in any case, they have greatly improved recently. Admittedly the interests of the United States and Zaire may sometimes differ, but this is nothing unusual in relations between two independent sovereign countries.

Relations with Belgium go through their ups and downs. The press tends to concentrate on the disagreements, and is not so interested in matters on which our two countries share identical views. Obviously, our relations with Belgium do extend over a wide range of fields. Given the historical connection, our coo-

peration could be exemplary if people in Belgium would realize that everyone has to make their own bed and lie in it! As far as we're concerned, we do our best to preserve our relationship and narrow the areas of disagreement while accepting each side's right to be different. Belgium's internal problems—and Lord knows it has enough of them—are none of our concern.

Unfortunately Belgium, which gained its own independence from Holland in 1830, tends to forget that Zaire had its day of independence too, on 30 June 1960, and that often complicates matters.

Cooperation with the Community, "a symbol of the continuing desire for a better relationship", but which needs to be inflation-proofed

► *What is your verdict on cooperation between Zaire and the European Economic Community, the Lomé Convention?*

— From the first Yaoundé Convention in 1963 through the successive Lomé Conventions, Zaire has always been a full partner of the Community, first as a member of the AASM and then as an ACP state. It

has been one of the main parties to the various agreements governing relations between the two groups, the ACP states on the one hand and the EEC on the other.

The progress of cooperation with the Community, which is primarily a symbol of the continuing desire to forge a better relationship, is something deserving close attention.

The second Lomé Convention, which I cited recently as an example of a cooperation framework in my speech to the third congress of the Mouvement Populaire de la Révolution, makes an appreciable contribution to the ACP countries' development efforts. It is a worthy embodiment of a relationship which can serve as a model for North-South relations.

Looking at what the Community has done for Zaire, I would repeat what I said on 17 July 1980, when I received the Commission delegation headed by the then director-general for development, which was in Zaire to prepare the fifth EDF indicative programme: the verdict on our cooperation is on the whole satisfactory.

Zaire as a catalyst

In this connection, we are highly aware of the distinction made be-

tween programmable and non-programmable resources. We firmly believe that a substantial increase in the funds available to Zaire from the various instruments contained in the present Convention could enable the country to act as a judicious catalyst in cooperation activities from 1984 onwards; this is a role we are planning to take over with a view to promoting South-South development too. To be meaningful, the increase in resources which we want to see would have to take account of inflation.

So Zaire is determined to do its best in the common interest in preparing for the new arrangement to follow Lomé II.

For that reason we have already decided that we will be discussing the main points of the Commission's recent development memorandum with the development commissioner, when he visits Zaire in the first half of 1983, and in talks with our partners. Apart from the aspects relating to food and agriculture, we would like to see our European partners show a better understanding of difficulties which even a few years ago were still not fully grasped; the fundamental problems of external debt, energy and terms of trade. They have reached a point where they will have to be tackled afresh, because the situation for the developing countries in particular is becoming catastrophic.

Cooperation between our countries and the EEC, with the 20 years' experience, could break new ground by judicious exploitation of the real potential which exists for solving these problems.

"We will never meet racism with racism"

► *In the light of Zaire's geopolitical situation, what role can or should your government play in Africa in the struggle against apartheid?*

— The political system of apartheid has been condemned by the international community represented in the United Nations, by the OAU, the non-aligned countries, and most individual governments.

Many international, regional, national, religious and lay organizations are engaged in concerted action to



Floating logs down the river Zaire.
The country has extensive forestry resources



The headquarters of the Union Zaïroise de Banque.

What role do financial institutions play in the development of a country like Zaire?

put an end to a manifestation of racism which is inconceivable in this day and age. But apartheid seems to survive like some invulnerable monster.

Zaire is continuing as in the past to work with other governments and international and national organizations to secure the recognition of equal rights for the majority of the population and a role in the management of their country's affairs.

Naturally, Zaire can launch initiatives itself, but to bring them to fruition it needs the support of all those active in the same struggle. The people of South Africa will find in Zaire a reliable and willing interlocutor.

We will never meet racism with blind racism. There is no question of driving the whites in southern Africa into the sea tomorrow. Their home is there, since they have been living in that part of our continent for centuries. We are calling on them to see reason before it is too late and realize that whatever they do, power will

ineluctably pass into the hands of Africa's black majority. By trying to gain time today, they are only storing up trouble for their children and grandchildren.

► *What are the broad lines of Zaire's foreign policy as it concerns African affairs, relations with the Arab countries and relations with Israel?*

— I've repeatedly explained the broad lines of Zaire's foreign policy as regards Africa and the world in general.

As far as Africa is concerned, our guiding principles are good-neighbourliness, non-interference in the internal affairs of other states, support for all initiatives aimed at solving problems between African countries by peaceful means, within the OAU or otherwise, active participation in the liberation struggles of subject peoples, economic cooperation aimed at increasing integration within Africa and observance of the rules of the OAU charter.

Outside Africa, our concern has always been to deal with any country prepared to establish ties of cooperation with us while respecting our individuality, as we respect theirs.

Zaire's cooperation ties take no account of the partner's political, economic or social system; the main thing is to preserve our own interests. That is our concept of non-alignment.

"The Palestinian people are entitled to a homeland as well"

As far as the Arab countries are concerned, Zaire does not see itself as being against them, and indeed maintains excellent relations with some of them. But Zaire will never allow itself to be treated as a wagon hitched to someone else's train.

Zaire is sovereign and independent. It respects other states' sovereignty and expects them to do the same by it. Zaire's line is decided in Kinshasa and nowhere else.

A great deal has been said and written about relations between Israel and Zaire since diplomatic relations between the two countries were restored. This is hardly surprising, since my decision was a bombshell in international affairs.

But let's not get things out of proportion. I've explained more than once why Zaire resumed diplomatic relations with Israel. It's quite straightforward: once the reason for our breaking off relations in October 1973 was no longer operative, there was nothing to stop Zaire returning to the pre-1973 situation.

We broke off relations with Israel as a sanction because Israel was occupying part of the territory of Egypt, a member of the OAU. Once the occupied territory was evacuated and returned to Egypt, the sanction could be lifted, and in April 1982 it was.

But as Zaire is not a party to the Middle East conflict, we have always acknowledged the PLO as the sole organization for the struggle of the Palestinian people, whom we consider have a right to a homeland too. That is our constant position; it is clear and unambiguous. And it should never be forgotten. ◊

Interview by
LUCIEN PAGNI

Kengo wa Dondo, Tough new boss for civil service

Mr Kengo wa Dondo, Zaire's ex-ambassador to Brussels (end of 1982) has been appointed First State Commissioner. The appointment brought a lot of comment in the press; Mr Kengo wa Dondo has a reputation as a manager and a man of authority. He is considered the right person for the post of executive coordinator and the only one currently able to reorganize the long-disordered administration and relaunch both the state and the economy, neither of which can function without an efficient civil service. The First State Commissioner told the *Courier* how he intends getting the state machinery, which conditions the development of his country, working again. He also commented on the results of the 3rd ordinary congress of the MPR (the Popular Movement of the Revolution), Zaire's only political party, which was held on 5-12 December 1982 in N'Sélé, Kinshasa (see page 41).

► *First Commissioner, you have recently taken up your responsibilities as head of the government. How do you see your duties on the National Executive Council?*

— First, I should like to make one thing clear. Under the Zairean constitution, the First State Commissioner is not the head of the government. It is the head of state, President Mobutu Sese Seko, who is head of the National Executive Council. The First State Commissioner is responsible for coordinating the action taken by the National Executive Council (1) as part of the programme and within the framework of the directives of the founder of the MPR, our President of the Republic.

So my job has to do with the programme and the directives of the



Kengo wa Dondo

A man who has policies to restore the economy, but what far-reaching and disrupting changes will be needed?

Founder-President. The First State Commissioner ensures that the Executive Council displays unity and adheres to the political and administrative guidelines laid down by the head of the Executive Council and other high authorities. He also ensures that all the members of the Executive Council keep their action in line with the policy of the founder of the MPR, our President of the Republic.

So this is where my duties lie—that is to say the policies that guide my action are those of the President of the Republic and of our National Party, the Popular Movement of the Revolution.

However, it is through the steps I take, through my approach and method, that I intend differing from what went before. The President of the Republic has told us that our decisions are good but the way they are executed is not.

My duties as coordinator of the action of the National Executive Council will therefore be to ensure that the aims we have decided are respected and that progress towards them is

maintained. Credibility and efficiency are the bywords. Success will come through an upgrading of work as a source of satisfaction to mankind; we shall also ensure that there is stringent management throughout and promote concerted action with transparency, discipline and realism.

► *The functioning of the civil service has often been considered one of the main impediments to the development of Zaire and improvements have been suggested on a number of occasions, although not with a great deal of success. Do you envisage any reform of the Zairean administration?*

— There is no shortage of good proposals as to how to improve state management. What we have not had is strict application of the decisions taken. The President of the Republic has now entrusted me with the job of ensuring that state decisions are implemented faultlessly. The civil service is being reorganized, with the aim of reducing the number and raising the standard of staff and improving working conditions. This job has begun and it will be completed scrupulously, as I agree with you that no country can develop without an efficient civil service.

► *If one administrative reform were more urgent than the rest, it would be the implementation of the national budget. How do you intend tackling the problem of the Zairean administration's increasing expenditure?*

— We have no need of any administrative reform to tackle the large budget deficits we have had for the past two years.

The problem is to respect the commitments made by the Executive Council when it draws up the finance law. We have to have a realistic budget and we have to implement it stringently, as regards both the collection of our revenue and the outlay of expenditure. I am fully aware of the gravity and the urgency of the problem, which is why I am not just beginning to deal with it today—I have already looked into it. The head of the treasury, who made a number of unauthorized payments, a secreta-

(1) The government.

ry-general in the administration and a number of officials from the department of finance are now the subject of administrative and legal proceedings, as are the businessmen who were their accomplices. So we are working to rationalize financial management and to discipline the implementation of the budget.

Now state resources will be mobilized as far as possible for development schemes and severe sanctions will continue to be taken against anyone who interferes with this.

What has swallowed up state resources for the past 10 years

However, it is worth noting that the budget reflects the complex situation of our developing economies. There are parameters which we can affect and do something about; unfortunately, there are others over which we have no control. If you look at the structure of the national budget over the past 10 years, you will see that two or three items absorb practically all the current revenue. They are, essentially, the servicing of the external debt, expenditure on staff and other irreducible outlays such as financial costs. So there is very little left over for the running of the administration in the conventional meaning of the term and even less to finance public spending, as public savings are inadequate.

I shall illustrate this by reference to the 1983 budget. If Zaire had to honour all its debts in 1983, reimbursement of the capital plus the interest, there would be US \$712 million (or about zaires 4 200 m) to find. Add to this staff costs of an estimated Z2 300 m and we have arrived at Z6 500 m; more than all our current income—i.e. taxation, customs duties and administrative, legal and land dues combined—of an estimated Z6 130 m.

So the 1983 budget will depend to a very large extent on the understanding our partners give us when it comes to reducing the servicing of the debt. In any case, personally speaking, I attach considerable importance to the renegotiation of our debt. I should like to make only such commitments as my country is able to honour, as things stand.

"I shall deal severely with bad officials"

Having said that, most of my efforts will be channelled into compressing public spending and improving the collection of state revenue. Stringency will be the keynote in the management of the public sector. I shall deal severely with bad officials and punishments will be brought back.

I agree with you as to the urgency of dealing with the state's considerable budget deficit, as I am well aware of its pernicious effects on the economy of the nation—on food, on inflation and on the financial means which could be put to better use in the productive sector.

► *What is your comment on the 1983 budget, which was designed before you were appointed? Have you already an idea of the thinking behind the budget for 1984?*

— Although the 1983 budget was designed before I took office, I did in fact play an active part in its finalization. Note first that the 1983 budget was prepared in an international context which has not improved. The crisis is still with us and it has brought with it inflation, unemployment, under-employment and low prices of the commodities we export. The costs of debt still weigh heavy on the developing countries. Our concern in drafting this budget was to keep the deficit down to a level compatible with the search for basic balance of the economy. The assessment of our revenue is more realistic and takes account, in particular, of how much Gécamines (the General Mining and Quarrying Company of Zaire) can contribute. This nationalized company has to ensure the investments required to maintain and develop its capacity and expenditure is chosen in the light of structure and incompressibility.

The investment budget will be essentially used to cover ongoing projects, particularly those with a foreign contribution. The philosophy behind our budget is realism and a desire to mobilize our own resources first, to show how far we can cope with our own problems before looking for the help of friendly countries and international organizations.

The 1984 budget will be based on

the same ideas—realism, stringency and financial orthodoxy. In particular, we intend to focus our action on micro-projects in the rural sector, schemes that will have an effect on the life of local communities.

It would be wrong to lose sight of the fact that, since 1979, Zaire has had an economic relaunch plan that is known by the name of the person who initiated it, Citizen Mobutu, the founder of the MPR and our President of the Republic. So all the budgets are simple annual programmes to achieve the aims of the Mobutu Plan. There is therefore a link between the various budgets, and the differences only occur in implementation.

► *The government will apparently be participating, from the national budget, in the financing of development projects underwritten by the EDF. What was the thinking behind such a step and the spirit in which your government reached this decision?*

— The participation of the Executive Council in the financing of projects carried out with the help of the EDF is, as far as we are concerned, a matter of responsibility and cooperation. These are projects which we, and not the EDF, introduce. Zaire defines its own indicative programme and it negotiates the financing with the EEC within the framework of our cooperation. And as cooperation means joint participation and joint responsibility, we think such responsibility and such cooperation have to be reflected in financial terms too.

I have already said that the funds in the 1983 investment budget are essentially allocated to ongoing projects that have external financing.

The fact that EDF projects are spread over several years is no problem as far as we are concerned. Zaire has a five-year public investment programme which overlaps with the EDF programme. We have every advantage in programming our funds on an annual basis so as to adapt our expenditure to price trends, and the multiannual nature of EDF allocations sometimes creates problems of extra expenditure due to the increase in investments costs over the years. Although there were problems with ensuring the availability of Zairean funds in the past in the

(2) 1 zaire = ECU 0.19.

projects cofinanced with the EDF, this was largely due to the wide range of projects selected in the previous investment budgets. Our present system involves reducing our field of intervention and concentrating our means on one or two ongoing projects, particularly where they have the benefit of foreign aid. That is our guarantee.

I have also decided to bring back the external resources coordination committee which comes under my cabinet and combines the main funders and those Zairean authorities concerned with external financing. The job of this committee is to ensure that externally aided projects are implemented in the best possible conditions and to inform the coordinator of the National Executive Council—me, that is to say—of any shortcomings, so that the relevant corrections can be made.

► *History shows that it is not necessarily the most centralized states that are the most united. And the countries with centralized economies are now giving an increasing amount of responsibility to the regions. What do you think about devolution? If you have to decentralize in Zaire, what powers and responsibilities would you give to the regions?*

— The Republic of Zaire, one of the biggest countries in the world, is well aware of the need for regional decentralization in the implementation of the development policy which the central authority defines.

The Central Committee of the MPR, our national party, took state decision n° 05/CC/81 on 8 June 1981, recommending that regional decentralization be implemented. This decision was the basis of law no. 82-006 of 25 February 1982, which set up the territorial, political and administrative organization of the republic.

The law organizes the town of Kinshasa and the regions into decentralized administrative units, each with its own legal status. So each region has consultation and administrative bodies—the regional committee of the MPR, the regional assembly, and the governor, who is also the regional chairman of the MPR.

Under this law, the decentralized powers are given certain political, administrative, economic, financial



A rain-fed paddy field in western Kasai produces rice without the use of fertilizer. The food deficit in Zaire is partly explained by the lack of incentives to farmers

and socio-cultural functions. Take politics, where the local authority coordinates the activities of the various state services provided in its unit and ensure that they function properly. Take the economic and financial sectors, where the decentralized authorities lay down and control the prices of exclusively local consumer products and services, except paddy rice and maize, the prices of which are fixed in consultation with the Executive Council. They assess the need for supply, select the recipients of the aid quotas, loans and grants of the Executive Council and issue licences to importers. They are also responsible for drafting and implementing agricultural and rural programmes as part of the plan drawn up by the Executive Council.

So decentralization is already a reality and something which enables us to bring the recipients nearer to the decision-making centres.

► *You have also held a high-level post in the Zairean judicial service. Are Zairean citizens satisfied with justice in their country?*

— The 5th MPR congress that has just come to an end voted a resolution to the effect that the ordinary man is not satisfied with the way justice is done in Zaire, and suggesting that the Executive Council remove the corrupt elements from the bench and improve the status of magistrates.

Fighting corruption in the legal system and improving working conditions

Although the magistrates are cor-

rupted by influence, money, the demands of their relatives and the absence of any form of punishment, it is still important to realize that this body of officials too is, overall, discouraged by the precariousness of the conditions in which it works. So it is up to the Executive Council to improve these conditions, while ensuring that its members are completely law-abiding.

► *As ex-ambassador to Brussels, what is your best—or indeed worst—memory of European and ACP relations in the Belgian capital?*

— My nicest memory as ambassador of Zaire is of obtaining ECU 40 million worth of financing for Gecamines under Sysmin. That was the first time Zaire had got so much EEC financing as non-programmable aid and we had an enormous amount of difficulty in getting the dossier through, bearing in mind the EDF conditions of eligibility.

My worst memory dates back to when I was chairman of the Stabex sub-committee. As you know, over the last two years, the Stabex fund has had two successive deficits. Imagine my distress at having to defend this dossier in Brussels and in Libreville at the ACP-EEC Council of Ministers to get additional support for the fund. I do recognize the effort the EEC made in Libreville to try to meet our request. But it was not enough. I hope that the special session of the Council of Ministers on this issue will find a solution that is acceptable to the state. ◊

Interview by
LUCIEN PAGNI

'The state and the people in a party in search of authenticity'

The third ordinary congress of the Mouvement Populaire de la Revolution (MPR), Zaire's ruling and only party, was held in Kinshasa from 6 to 12 December 1982. It was during this event that the *Courier* spoke to Kengo wa Dondo, the First State Commissioner and head of the government, about the role of the party. The Commissioner also gave his views on the main problems facing Africa and on Zaire's relations with Israel and the Arab states.

► *What lessons can the third MPR congress offer for the coming years?*

— In accordance with the constitution, the congress of the MPR is held every five years and this is the occasion for the head of the party, who is also the head of state, to report to participants. This report is in two parts—the first deals with the activities of the state, and the party over the previous five years and the second with the outlook for the future. What will be the programme for the coming five years? You saw what it was to be, as you, of course, attended the inaugural and the closing sessions when the head of state went over all the problems we have to face and tried to make a projection of the future.

As the central theme, the congress reaffirmed the fundamental principles of our party. This year, 1982, the MPR celebrated its 15th anniversary and, if there has to be a certain parallel between human beings and the report, in 15 years we have legally reached a time when parents can emancipate their children. Open the N'Sele manifesto and you will see that the MPR's ideology and its approach to it have developed over the years, without in any way affecting the basic principle, authenticity. The term, which we use, Mobutism—the teachings, thoughts and actions of the founder-president of the Movement—has developed. Today, we

have to take stock of the actions described in the texts so as to avoid any confusion in the minds of those who are called upon to speak about the movement. This means that the fundamental principles have to be reaffirmed.

► *You say that the texts had to be tidied up: on what points in particular?*

— Those on the N'Sele manifesto, the basis for the setting up of the MPR.

► *What was wrong with the N'Sele manifesto?*

— Nothing. At the outset, we devised the MPR doctrine on authentic Congolese nationalism. Since then, Zaire has replaced the Congo and authentic Zairean nationalism is, essentially, what we call Mobutism today. So Zairean nationalism is based on authenticity—being ourselves and not what the others would like us to be.

Revitalising agriculture

The second theme of the congress was development through agricultural expansion. When the economy was booming, all the efforts of the executive council (the government) were channelled into the mining industry. At that time, this was very good and mining brought a great deal of money into the state coffers. But today we have to diversify our export resources so that drops in some sectors can be offset by rises in others. That is why we want, first and foremost, to reorganize agriculture and reach self-sufficiency in food. Hence the agricultural relaunch programme (1982-84). The Zaireans have to produce enough food for their own needs and produce a surplus for export as well. Everything to do with agriculture has to be improved. Roads have to be rehabilitated at regional, inter-regional and local level so that the produce can be transported to the consumer and marketing centres. And the peasant

farmers have to be provided with seed and fertilizers and so on, so that yields go up.

Today, I think, Zaire is progressing well towards food self-sufficiency. I am not saying that its problems are over as there are still deficits, in maize, rice and sugar particularly. There is a manioc shortfall, a smaller shortfall in meat and in the fish sector. We hope that the aims of the 1982-84 agricultural rehabilitation programme will enable these problems to be solved. But public financing also needs rationalizing. This question of state finances was discussed at the congress, as a healthy financial situation has favourable repercussions on the economy of the nation.

Gaining the confidence of international donors by better management

► *Do you think you now provide the sort of conditions that will give the international organizations confidence in Zaire and encourage them to give assistance?*

— It would be wrong to say that these conditions have already been achieved. What I can say is that we are working to bring about the conditions the international financial organizations demand before they will renew their confidence in us.

► *Is it true that all Zaireans are members of the MPR from birth?*

— The MPR, as laid down in the constitution, is the political organization of the Zairean people. I have always compared the MPR with the unit called the community, the traditional community, from which no member can be excluded. As the constitution makes the MPR the sole institution of the republic, the MPR is therefore identified with the state and unites all Zaireans. So all Zaireans are members of the MPR.

The present doesn't prejudice the future

► *Zaire existed before the MPR... will it ever exist again without it?*

— No. Zaire existed before the MPR and the MPR organized Zaire in the light of its philosophy, its political organization and the exercise of

power it has so firmly imprinted on the Zairean state. The situation is as it is today; but there is no telling what it will be tomorrow. But the MPR, which is at the source of the legitimacy, the legality and the expression of the state today, has organized the power of the state in its own way. If the situation changes, that's different. Power is organized by a country's constitution, but that is not to say that, if the constitution disappeared, the republic would be organized differently. In the same way, where there is a kingdom, the system is royalist and where there is a republic, the system is republican.

The MPR organized power in Zaire as it thought fit, according to its philosophy. The functioning of this power and the institutions that embody it are there and we have to accept that.

► *How do you feel about regional cooperation in Africa and relations with the European Community?*

— First of all, I should like to say that there is no doubt as to Zaire's African vocation. The great philosophy behind our country's foreign policy is, above all, African, and the other countries of the world come afterwards.

As far as regional cooperation is concerned, we have set up various organizations to take the political decisions and put them into practice. Rwanda, Burundi and Zaire, for example, have set up the Economic Community of the Great Lakes, which has enabled us to succeed with a number of projects, including the one to produce gas from Lake Kivu.

In central Africa, President Mobutu is one of the instigators of a project to set up a community of the sort that exists in western Africa. At the moment, we are hoping to extend this to all the countries of the region, with none of the linguistic divisions of the old colonial powers, so we can gradually achieve economic integration.

We can only be pleased about relations with the EEC and I am in a good position to know this, as I have been Zaire's ambassador to Brussels and the EEC; I was able to negotiate to get the Sysmin dossier through and the Community to award us ECU

40 million to modernize the Gecamines production facilities. I can tell you that relations between the EEC and Zaire are relations of effective cooperation and, as has already been said, if the conditions the EEC requires were met—and we have already had the first ECU 20 million slice—the second slice could be released and we could contemplate negotiating another loan under the Sysmin. This would enable us to completely modernize the Gecamines installations and increase production, thereby bringing in the foreign exchange we need for economic development.

Zaire and Israel: "... staying true to ourselves"

► *What is the state of your relations with the Arab countries and Israel? The European press is not very clear about this, particularly your diplomatic relations with Israel.*

— I think it would also be reasonable to say that the Western press has a tendency to dramatize. You must de-dramatize and look at things in the context of inter-state relations. We should situate the facts in their context and examine them dispassionately and objectively. Zaire is a sovereign state. It can forge diplomatic relations with any country it likes, according to its own criteria and its own views of inter-state rela-

tions. What actually happened in our relations with the Arabs?

When there was the war between Egypt, an African country, and Israel, the latter occupied part of Egyptian territory. Out of a feeling of solidarity with this African country, Zaire went to the UN and took the sovereign decision to break off diplomatic relations with Israel until such time as Israel returned the piece of Egyptian territory. And let us not forget that states have short memories. At that time, the Arabs applauded us. President Mobutu was invited to the Arab summit in Algiers, the only head of state from black Africa to be their guest.

Second, our cooperation with Israel used to be extremely fruitful in both the military and the agricultural sectors. But overnight all that disappeared. What happened then? First, the invaded established diplomatic relations with the invader. Second, the occupied territory was liberated and returned to Egypt. So the conditions that had led to the rupture of diplomatic relations disappeared and, to be true to ourselves and logical in our relations with third countries, Zaire could not do other than draw the relevant consequences and reopen diplomatic relations with Israel.

I should like to point out, in addition, that the Arab countries which have decided today to break off their diplomatic relations with Zaire, fol-



The slogan on the party headquarters ('serve the country, not yourself'), which is also found everywhere on the streets of Kinshasa, sums up the spirit of the movement, but also the problem which faces both the administration and important economic sectors

lowing its sovereign decision to re-establish relations with Israel, have never broken off relations with countries other than African ones which have relations with Israel. This is a kind of colonisation that Zaire will not accept. The Arabs have diplomatic relations with the USA, with Germany and France, with all the countries of the Community. These countries also have diplomatic relations with Israel. So please tell me what international law of diplomacy it is that prevents Zaire from reopening its diplomatic relations with the Jewish country with which the other Arab countries have not, in fact, themselves broken?

► *They cut their aid to Zaire ...*

— That is something different. Most of our Arab aid came through international organizations. In this new situation of rupture with the Arab world, Zaire is losing something like \$400 million worth of projects which were being implemented. But this has to be attenuated, as, when our decision to reopen diplomatic relations with Israel was made public, there was a certain amount of misunderstanding in the Arab countries, which thought Zaire had decided to open an embassy in Jerusalem. And there is one thing that has to be recognized—Zaire, a member of the Security Council at the time when relations with Israel were reopened, was one of the countries which had to respect the resolutions of the Council and of the UN General Assembly. And what does this resolution say? That the members of the UN should not open embassies in Jerusalem, so as not to antagonize the various parties. Those which already had diplomatic missions there gradually moved to Tel Aviv.

Second, the Islamic Conference adopted a resolution whereby the Arab countries had to break off diplomatic relations with any countries which set up diplomatic missions in Jerusalem. In view of the legal situation, Zaire could not, therefore, open any such representation in Jerusalem.

Things were exaggerated at the beginning and no one realized that Zaire had not decided to open an embassy in Jerusalem. Since then one of the countries, Libya, has said it never broke off relations with us



Kengo wa Dondo with the EEC Commission's delegate Erik Pörschmann. "We are satisfied with cooperation with the EEC"

and its chargé d'affaires remained in Kinshasa. The ambassador to Belgium and the European Communities came here, bearing a personal message from President Khadafi to tell President Mobutu that Libya had never broken off relations with us and that the chargé d'affaires was still in Kinshasa—which was true.

Saudi Arabia, too, said that the facts as reported to the Saudi government had led it to form an erroneous impression of the decision we took and that the matter would be reviewed. Algeria, Morocco and Sudan did not break with us. So, ultimately, if you take stock of the situation as a whole, virtually no one has broken off relations with us. Alarmists spread disquieting information in the press, perhaps to widen the gap between us and the Arabs. But Arab and Zairean wisdom will prevail and enable relations with these countries to be tightened.

► *I heard on Zairean radio that Zaire was one of the hard-liners at the UN recently when the vote was taken on a resolution on South Africa following the aggression against Lesotho. How do you think the problems of southern Africa can be solved?*

— I think Zaire's position is the UN position and the OAU position. Take Namibia: I believe that, at the moment, things are virtually ready for this territory to apply for international sovereignty. South Africa raises problems which, it says, are concerned first with security and

then with the Cuban presence in Angola. Information we have suggests that South Africa has nothing to gain by blocking the Namibian independence process. It cannot take everything and give nothing in return. That is what South Africa does, but it has to adhere to UN resolutions and encourage self-determination in Namibia.

Waiting in fear...

► *What about apartheid?*

— There are two aspects to this. First, the problem of the majority—and we know who this majority is. Second, the fundamental problem of people living in the same territory being treated in exactly the same manner and having all their rights granted equally. The basic principles of the declaration of human rights involve all citizens of any given country being equal before the law and having equal protection from the law. In South Africa, the blacks have to be considered as citizens of that country and they have to get their legitimate rights. There is no getting away from that. Today, I think fear exists, because the minorities consider that the day the blacks have the same rights, once democracy has brought this about, they will no longer be able to play the dominant role they have today. But waiting and fearing to take measures to rationalize the situation will one day lead to the regime being overthrown, like it or not it will be too late. ○

Interview by L.P.

Shaba and its copper, the "strong-box" of Zaire

The whole economic and political history of Zaire has been strongly influenced by Shaba (formerly Katanga) and its minerals, particularly its copper, so much so that this region is commonly described as the "lungs" or also the "strong-box" of the country. There is no doubt as to the importance of Shaba's mineral resources as a source of government income; it is estimated that they account for 70% of Zaire's budget revenue. However, for several years, this percentage has been shrinking on account of the international economic recession which has resulted in a fall in world demand and consequently lower copper prices.

In order to understand and gauge the significance and capital role of Shaba's mineral production (copper and cobalt) in Zaire's economy, the *Courier* asked Mr Robert Crem, managing director of Gécamines, the undertaking running Shaba's mines, to describe the company and its current economic and social problems.

"Gécamines (Générale des Carrières et des Mines) is a state undertaking which was set up in January 1967 when the Belgian company, Union Minière du Haut-Katanga, was nationalized." Mr Crem said "The Belgian company had commenced industrial operations in 1906. It must be said that following its action in nationalizing the company in 1967, Zaire, Gécamines' sole shareholder, has observed all its undertaking as regards compensation in respect of the company's former Belgian owner. In 1967, the company encountered a whole range of problems resulting from the fact that a large number of commercial, financial and purchasing operations had been decentralized by its previous owner, the Union Minière du Haut-Katanga in

Brussels. Moreover, the policy of the Union Minière du Haut-Katanga from 1960, the year when the Congo achieved independence, was to cut back investment in view of what it saw as the prospect for private companies in a newly independent country. Hence, from 1960 to 1966, the Union Minière made no further major investment in plant and equipment replacement and, above all, ceased to increase its production capacity.

Minère's output of 300 000 tonnes of copper in 1960 had by 1966 fallen to around 270 000 t as a result of a general policy of cut-backs. In 1967 the state undertaking set a programme target of 360 000 t to be achieved by 1969. This target was met and, in 1969, the company launched a five-year investment programme which succeeded in raising production to 470 000 t in 1974, these results being achieved on a 90% self-financing basis. It was subsequently decided, in view of the extent of our company's mineral resources, to raise copper production to 570 000 tonnes.



An open-cast copper mine at Kolwezi, Shaba.
Zaire's industrial heartland, despite its mining facilities, has enormous problems in conveying its products to the respective ports for export

As a result, in 1967 the new company's first problem was to reorganize itself financially and in terms of equipment so as to be able to discharge its new responsibilities.

The then Congolese government asked the management of Gécamines to increase the company's production. A large part of the foreign exchange earnings of the former Congo and of present Zaire have, rightly or wrongly, come from the mining industry. In 1967 the new authorities of Gécamines introduced a programme to increase production capacity. This was because Union

This ambitious programme was brought to a halt by the economic recession, the very sharp decline in the raw materials market, and also by the severe shock brought about by the events in Kolwezi in 1977 and 1978.

The second five-year programme, under which copper production was due to be increased to 570 000 tonnes, was financed as a result of an injection of \$220 million by an international consortium under the aegis of the World Bank (approximately \$100 m), a Libyan bank which contributed a further \$100 m

and the European Investment Bank which provided approximately \$20 m. However, the company's output, which had risen to 470 000 t in 1974, fell to 370 000 t in 1979 as a result of the political situation in the area in 1978. In the circumstances the company halted the steps it was taking to increase production and set its sights on achieving its capacity again as soon as possible. Production was accordingly increased from 370 000 t in 1979 to 420 000 t in 1980 and further still to 468 000 t in 1981. In 1982 the company will achieve the same level of output as in 1981.

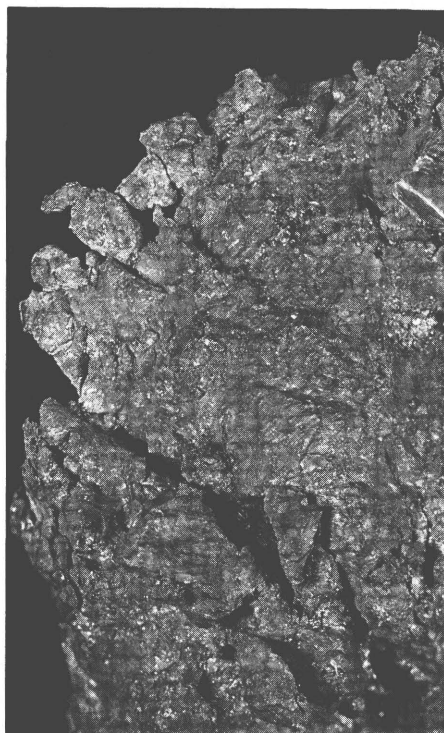
Thus, following the unhappy events in Kolwezi in 1978, Gécamines has in three years, despite depressed markets and the almost total absence of external aid, managed by its own resources, together with assistance from the Zairean government, to achieve its former production capacity."

However, Gécamines still has many problems, particularly in connection with the maintenance of its production capacity through the replacement of equipment. "This is why", explains Mr Crem, "the company is now, in 1983, in great danger of experiencing another decline in production. Admittedly, the Zairean government has done much to lighten Gécamines' tax burden (10% of the government's revenue) with the aim of facilitating profit reinvestment".

The EEC's involvement through Sysmin: ECU 40 million

The European Community, recognizing that Shaba's mining revenue plays a prime role in Zaire's economy, granted Gécamines in the summer of 1982 a loan of ECU 40 million. Mr Crem explains how these funds were used and the importance of external aid for his company.

"Since 1979 the company has been renegotiating a loan with the World Bank for the rehabilitation of the company's industrial installations. However, these negotiations have slowed down as a result of a whole set of restrictive conditions which the World Bank has imposed on the Zairean government and which are not connected with the operation of the company.



A typical piece of "native" Shaba copper from one of the local mines

Under the second Lomé Convention, assistance may be given to ACP states whose revenue derives heavily from their mining industries on condition that such countries export a substantial proportion of their output to the European Community. Since Gécamines and the Zairean government fulfilled these conditions, the company, and hence the government as its shareholder, was declared eligible and a loan of ECU 40 million subsequently granted in July 1982. An initial instalment of ECU 20 million was made available at the end of the year. These resources are greatly valued and have been vital in meeting the company's immediate needs.

We plan to use the ECU 40 m to replace the company's most obsolete equipment and carry out a certain amount of replenishment of the general items and basic materials required for the company's peripheral activities, such as the workshops which carry out equipment maintenance.

I would like to comment, rightly or wrongly, on the framework governing the allocation of Sysmin funds. It is undoubtedly the case that, given the very depressed state of the markets, a problem facing mining companies in the ACP states, and at all

events one of the major problems of mining companies in countries such as Zambia and Zaire, concerns the replenishment of stocks of replacement items. This is why I am glad to have the opportunity of speaking to the *Courier* to say how much we would value new negotiations in the near future with the aim of making available, as we very much hope, a further allocation of Sysmin funds for the purpose of partially replenishing our stocks of replacement items, which are vital for our company's survival..."

However, it is not just a question of increasing the extraction of ore; the product still requires transportation prior to being exported to consumer countries. According to the manager director of Gécamines, "the low handling capacity at the various African ports directly restricts our production scope.

The four traditional transportation routes were initially the "voie nationale" to Matadi, the Dar es Salaam route involving transshipment, the railway to Beira in Mozambique and the Benguela railway to Lobito in Angola. Since 1975 the Benguela railway, which was the major link and the fastest route, has not been operating and there is little prospect of it being reopened in the immediate future; the Beira line has also been cut and is currently subject to disruption. The Dar es Salaam route only operates at 40% capacity and the Matadi "voie nationale" poses very great problems especially as regards the Société Nationale des Chemins de Fer Zairois network where the technical and management problems are enormous and seriously limit its operating capability. Hence, in 1982, for example, out of the total volume of 530 000 t requiring transportation, of which 460 000 t were copper and 70 000 t iron products, only 250 000 to 260 000 t could be routed via the "voie nationale" to Matadi.

Routing via South African ports is quicker, but too costly and involves too many risks. We therefore export as much of our production as possible, i.e. 40 000 t, via Dar es Salaam in Tanzania. The total volume of production carried on both available routes is 310 000 t; the balance, i.e. 530 000 t less 310 000 t, can only be routed through South African

ports, which means quick transportation and no transshipment but at an excessively high cost.

Furthermore, all our bills have to be paid in foreign currency and, in addition, by routing our exports through South African ports we are dependent on political stability in the countries through which our products travel, namely Zambia, Zimbabwe and South Africa; the state of political relations between the various countries involved is also a determining factor. It would thus appear that it is a national priority, and also a priority as far as the successful operation of Gécamines is concerned, that the "voie nationale" be rehabilitated as early as possible, though it must also be hoped that the Benguela railway to Lobito in An-

as those in Chile. The exploitation of Chilean and Zairean deposits alike is capable of delivering a maximum economic return despite the present low prices. As for where the break-even point lies, this is hard to assess on account of the numerous changes of parity between the SDR (generally regarded as the country's monetary unit) and the Zairean currency. A large number of changes have occurred since 1976 but the company's capital assets have not been revalued over that period. The financial policy conducted by the company has therefore been one of amortization; however, this does not reflect the real situation and although the company's balance-sheet shows a large profit, this is deceptive. Thus, to answer the question, I would say that at the present the company is

with other mixed sulphides and oxides. The average content of our ore is approximately 4% of copper per tonne of ore extracted. However, it is important to note that most of our ore is extracted from open-cast mines and that, to determine the profitability of this type of mining, one has to take account of not only the copper content of a tonne of ore but also the ratio between the amount of waste material and the quantity of mineral to be extracted.

In Zaire, we have to extract seven tonnes of waste for every ton of ore. In Chile, the mineral content is 2% per tonne in open-cast mines compared with 4% in Zaire. However, the ratio between the tonnage of waste extracted and the tonnage of ore is only 2% compared with 2.5%, which means that the economic performance of the Chilean and Zairean mines in terms of operating costs is comparable, given the difference in mineral content and waste ore ratios.

In Zambia, whose ore has a copper content of between 2.6% and 2.7% and is extracted mainly from underground mines, mining costs are higher (1). It is well-known that underground mining is more costly than open-cast mining. In addition, in the last few years, Gécamines has benefited from the strong market demand for cobalt whose ore content is higher in Shaba than in Zambia. Thus, from the point of view of profitability, I believe that mining prospects are better in Zaire than in Zambia."

As a condition of Zaire's continued eligibility for substantial IMF aid, an IMF team last December visited a number of Zairean copper mines, as part of the economic evaluation which the fund carries out each year in Zaire. On this occasion, in view of Gécamines' major role as a source of revenue for Zaire, the team of experts from the IMF decided to visit Shaba in order to make direct acquaintance both with Gécamines and in particular with the problems facing the company, Gécamines representing as it does a considerable security for providers of external aid to Zaire.

o L.P.

(1) Zambian copper is, however, the best in the world, contributing to finished products in the proportion of 80% to 90% compared with 60% to 70% in the case of copper from all other sources. (Ed.).



The ore arrives by conveyor belt and is stored before being subjected to the first stage of processing before the copper is eventually ready for export

gola can be reopened within a reasonable period of time."

"Potentially among the world's richest resources"

Given the current operating and export constraints (low market prices, export transport problems, etc.), does Gécamines' comparative costs allow the company to keep up its high level of production? Mr Crem is in no doubt about this:

"I think I can say that Zaire's copper deposits are potentially among the world's richest resources and can be compared with deposits such

profitable although its profit margin is very small; however, I should also add that at the request of the World Bank, we are in the process of revaluing our assets which, I am convinced, will enable the company not only to show a clear profit during a period of economic recession but also increase its credit-worthiness abroad."

The nature of Zairean ore compared with other countries' ores gives cause for future optimism. Mr Crem explains:

"There are two aspects to this question: first, the nature of the ore. It is a fairly complex ore, being a mixture of copper oxide and sulphide

Planning in Zaire

The only African country which has not had an overall plan since 1960

Zaire is the only French-speaking African country not to have had an overall development plan since 1960. This is hard to explain, considering that the colonial authorities had based their economic forecasts on comprehensive planning.

Prior to 1960, the year of independence, a 10-year development plan had been worked out, covering most of the key sectors in the economy: road and river infrastructure, transport, energy, scientific research, etc., at a cost of 24 000 million Congolese francs (Belgian francs), the currency used at the time. This plan was not restricted to the public sector but extended to private undertakings too.

However, everything was abandoned from the beginning of the First Republic (1960-1965) until the end of this period, which today is described as "decorative" because, although there was a total lack of planning, each successive government nevertheless had a document drawn up containing general guidelines for development.

The Second Republic began in 1965, when the current President came to power. He was anxious to have a planned economy so that development operations could be more efficiently guided and allocated to specific regions according to their potential. A planning department was set up and attached to the President's Office to demonstrate the head of state's determination to undertake overall planning. This think-tank later became a general planning commission, headed by Mr Bokana, whom the *Courier* interviewed in Kinshasa.

Mr Bokana explained that after 13 years of unplanned economic activity, an economic revival plan was drawn up in November 1977. It covered vital sectors such as agriculture, transport, mines, education and health. International organizations and countries such as Belgium offered help in drawing up this document laying down the con-

ditions for rehabilitating Zaire's economy—which had been in disorder since the first years of independence because, according to Mr Bokana, before this first attempt at planning in Zaire there had been no management bodies, and certainly no control bodies, in public undertakings. Most of these nationalized undertakings had collapsed as a result. Under the interim plan management and audit boards were set up to ensure that they were run properly.

The second aim of the 1977 revival plan was to get production on its feet again, because there was no point in introducing measures to improve the monetary and financial situation unless production followed suit and output was boosted. So a number of decisions were taken to improve road and river networks, notably the national route between Shaba and Matadi on the Atlantic coast. This is a vital road for the economy because it links the mining region to the country's only port. It is also a major feeder road for the important deep-water port project at Banana, where the government intends to set up an aluminium industry at a cost of \$1 500 million, 85 % of which will come from private sources. Supplying this plant will make the power station at Inga, site of the second biggest hydroelectric dam in the world, economically viable.

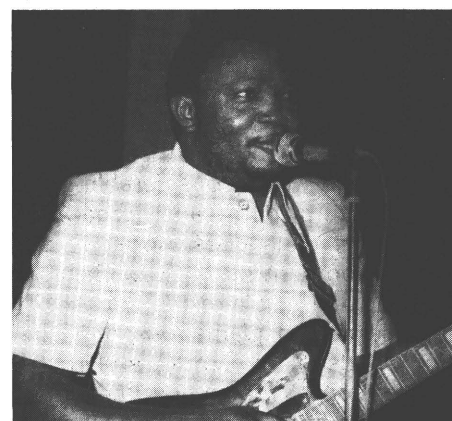
The general commissioner for planning believes that once the plans for individual sectors have been implemented, particularly the 1982-84 agricultural revival plan, Zaire will enter an active phase in overall planning for economic and social development. A five-year plan (1985-89) is being prepared, with emphasis on incentive, the aim being to provide a general framework for economic and social measures and, where necessary, give every sector and region the support it requires for sustained development. ○ L.P.

Tourism

Zaire is known for its natural riches, botanical and mineral, but tourism could also constitute a major source of income. To forget it would be like denying the interest to tourists of such countries as Brazil or the USA. However, as in many African countries, tourism is still an unknown quantity in Zaire. Yet it could clearly go a long way to reducing the balance of payments deficit.

The climate is one of the first tourist attractions—or rather, the climates, since a variety of conditions prevail, from the torrid heat of the north to the temperate areas in the south-east and east (Shaba and Kivu). Then there are many lakes and waterways for beachcombing, lazing around or adventurous explorations like Amazon expeditions. There are also a number of national parks. Garama in the north, Virunga in the north-east, Upemba and Kundelungu in Shaba. And there is the music of Zaire, which has gained a following throughout Africa and now has many fans in Europe.

But a good deal must be done to make use of this tourist potential. The hotels need improving and prices must come down if they are to attract enough visitors to be viable—rooms currently cost between \$80 and \$125 a night in Kinshasa and Lubumbashi. As a comparison, tourism is to Barbados what copper is to Zaire: 70 % of the national foreign currency revenue. And in both cases, it would be best to diversify the resources. ○ L.P.



Franco, one of the best known singers in Zaire. Zairean music has become a social phenomenon which has to be experienced to understand

Utexco — an example of development-oriented industrial integration

The huge Utexco (1) complex in Kinshasa—the name stands for Usines Textiles et Cotonnières—is Zaire's largest manufacturer of cotton textiles.

Utexco mainly produces goods for the domestic market, and its vertically integrated operations are geared to a country where the brightly printed cotton *pagne* is the commonest style of dress. Utexco grows most of its own cotton, and even manufactures the spare parts needed for the machinery in its mills. It also employs large numbers of Zairean white-collar workers and skilled mill operatives; an advantage, some managers say, since senior staff can work their way up to take over from the few expatriate staff who remain, and cut down on foreign exchange loss.

Utexco was incorporated in 1961; by 1971 its capital, without any new share issues, had risen to 2 617 500 zaires (2). There are 337 500 shares, 337 494 of them in the name of Texaf, a holding company listed on the Brussels stock exchange and owned by Cobepa, a subsidiary of the Banque de Paris et des Pays-Bas, which is thus the main shareholder. The company's history dates back to the establishment of Texaf in 1925, as a cotton-growing and textile manufacturing operation aimed at meeting the basic needs of the local population. According to Utexco managers, it was the first enterprise of its kind in Africa and had to contend with considerable problems both at home and abroad. International financiers looked askance, competitors back in Belgium were hostile, while in the country itself the cotton plantations and ginning sheds were remote and roads non-existent. What is now the industrial zone in Kinshasa was then a

swamp at a bend in the river, and there was no skilled labour-force. From that unpromising beginning has grown up what is now Zaire's largest integrated textile operation, with Mr Dirk R. De Smet as managing director and Mr Kisolokele Lukelo as chairman of the board.

removing 44 000 m³ of rock, building 13 000 m³ of earthworks and casting 15 000 m³ of concrete, not to mention transporting 9 000 tonnes of equipment to the site of the works. The new power station supplied electricity not only for the whole of the Kinshasa district but also for other parts of Bas-Zaire and even Brazzaville.

By 1928, Texaf was turning out its first bolts of cotton — just when the depression was getting under way.



Utexco's factory in Kinshasa

Laying the foundations

The most basic services had to be built up from scratch before the manufacturing operation could get under way: a reservoir and water treatment plant to provide the first drinking water in the Kinshasa area, a hydro-electric power station at Sanga on the Inshisi river, over 80 kms from Kinshasa as the crow flies (the first power station in the country, outside Shaba), and a high-tension line from Sanga to Kinshasa — which involved building almost 150 kms of roads through the bush and jungle,

In the first 14 years of its existence, from 1925 to 1938, it made considerable losses. Without the support of a major financial group, it borrowed so much over the years from a smaller backer, Crédit Anverso, that the bank was forced into liquidation.

In 1934, desperate for funds and anxious to rationalize its financial position, Texaf hived off the cotton plantations, and also the water purification plant; a new utility company known as Régidesa (Régie de distribution d'eau) was formed.

(1) Utexco, 372 ave. Colonel Monjibo, B.P. 3085 Kinshasa/Gombe.

(2) 1 zaire = ECU 0.19.

THE CONVENTION AT WORK

ACP GROUP

1983—Year of the negotiations

By the end of 1983 negotiations will be in full swing between the EEC and ACP states on the future of their relations after the end of the second Lomé Convention. Preparations by both sides are already well underway and negotiating positions emerging. The prospect of the negotiations was the main theme of a New Year speech by the secretary-general of the ACP group in Brussels, Thomas Okelo-Odongo, at ACP house, on 10 January. His message is printed below.

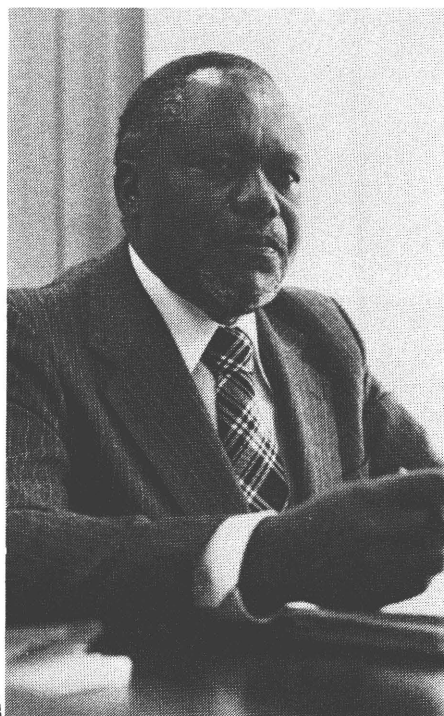
"The year 1983 will be a challenging year not only for the ACP group of states but also for their partners in the European Community. This is the year when negotiations in the future relations between the ACP-EEC states after the end of the Lomé II Convention are officially scheduled to start. To quote the minister of Mauritius: 'In the coming months the question of future arrangements between the ACP and the EEC will be one of the most important exercises with which the ACP as a whole will have to deal. We will want to know what went wrong with Lomé I and Lomé II. We will want to know why the Stabex and Sysmin systems are not successful. We will want to know what should be done so that in the future we will have better arrangements with our partners in the Community, so that we have an arrangement which will benefit ACP member states more and which will help our economies.'

"The examination of future relations will not stop on the evaluation of the various areas of cooperation in the Lomé Conventions. It will include a thorough examination of the institutions of the Convention as well as the progress made in intra-ACP cooperation. For these reasons the ACP group attaches great importance to the coming events of 1983.

"The ACP group has decided to enter into negotiations with the European Community for the purpose of agreeing on a future arrangement between the two sides at the end of

this Convention. This decision has been taken despite the dissatisfaction on the ACP side with the performance of both Lomé I and Lomé II. The ACP terms of trade have continuously deteriorated during the two Conventions. In petroleum and petroleum products the ACP trade balance is characterized by a deficit which grew from ECU 2 billion in 1975 to nearly ECU 5 billion in 1980. Recently the ACP share of the Community's market dropped from 7 % in 1980 to 5.5 % in 1981. The Stabex system appears to have failed to fulfil its objectives. The other areas of cooperation likewise have not yielded satisfaction to the ACP group. With this background it is easy to see why the negotiations between the ACP and the EEC will be critical.

"In the negotiations for a new Convention the ACP states will be looking for an arrangement which goes to the root of their economic underdevelopment and other related problems. To quote the minister of Nigeria in one of his statements



Thomas Okelo-Odongo

Also in the yellow pages

The Convention at work

- I.-II. ACP group: speeches by secretary-general Okelo Odongo and Gaston Thorn
- V. EDF decisions
- VIII. EIB loans
- IX. Annual report of the Court of Auditors

General Information

- XI. SADCC meets in Maseru
- XIII. UNDRO: the coordinator in Brussels
- XV. Aid for non-associated developing countries
- XVII. USA-EEC: Vice-president Bush at the Commission

European Community

- XVIII. EP: the programme speech of the Commission for 1983
- XX. Common fisheries agreement

made at the last meeting of the Council of Ministers: 'The gloomy picture of the ACP trade balance during the Lomé Convention is made more dismal by the fact that economies of many ACP states are beset with a catalogue of intractable problems, such as heavy debt burdens, negative balance of payments, shortages of food reflecting in increased dependence on food imports, deteriorating infrastructures and negative growth. Instead of emphasizing food aid our future relations should aim at rural development, increased food and agricultural production. It should aim at establishing agro-allied industries, which can produce added value to our economies. In the area of industrial development there is a need to encourage agro-based industries to utilize raw materials from the agricultural sector. Above all there is a need for more funds in this area. There should be more aid through financial grants, soft loans and fiscal measures. The debts of the least developed countries should be cancelled. There is also the issue of industrial restructuring and redeployment which should be pursued. As far as trade is concerned there must be free access for all ACP pro-

ducts, commodities or manufactured goods.'

"This theme was repeated by many speakers. It is obvious that the plight of ACP countries will preoccupy their thoughts during the negotiations. For the majority of Africans the outlook is grim. Per capita income in 19 countries grew less than 1% per year between 1969 and 1979, and 15 countries recorded negative growth.

"The food situation in Africa has deteriorated drastically over the past two decades and remains critical in most countries, with a widening gap between food needs and availability. In some countries, the situation is reaching crisis proportions as population growth outstrips production and the balance of payments situation worsens. African food production per person showed a negative annual rate of growth of -0.7% in the 1960s, worsening to -1% in the 1970s. This implies that the food available per person from domestic sources was 7% less in 1970 than it was a decade before—worsening further to 10% less today than it was a decade ago. The situation is much worse in the 27 so-called most seriously affected countries—the majority of which are among the least developed countries. This situation implies a high price in human terms. In economic terms it implies that many countries will have to choose between importing oil or importing food, assuming that they will be able to pay for either as their export earnings dwindle away.

"The ACP group will demand that any new relationship must be founded on the basis of development philosophies and on the strategies and approaches devised by the ACP states themselves and must be in pursuance of the basic objectives enshrined in such strategies. And prime among these objectives have always been free access and remunerative prices for ACP products in the Community market, adequate financial resources and effective technology transfer to assist in the undertaking of infrastructural development and in productive investment, especially in the fields of agriculture, fisheries, industry, and raw material processing.

"Another factor which will influence the ACP-EEC negotiations is the present state of the world economy.

"Following more than 20 years of

rapid post-war economic expansion the world economy in the 1970s entered into a phase of recession accompanied by high inflation rates. Despite some recovery between 1976 and 1978, the recession is today still prevailing and causing severe economic strain throughout the world.

"In most industrialized countries the reduction of high inflation, caused mainly by domestic factors and to a lesser extent by international factors such as oil prices became the primary economic target of governments. Reduction of inflation rates, through implementation of restrictive monetary and fiscal policies, is thought to be the best approach to return to a strong pattern of growth. However, while restricted monetary growth and reduced spending has had a limited success in reducing inflation rates, the hoped-for subsequent economic growth has yet to materialize. Indeed for the third consecutive year now, the industrialized countries are experiencing the slowest economic growth since the 1930s accompanied by industrial production cuts, heavy unemployment and calls for protectionism.

"Further, there is the problem of debt which is threatening the whole world economy. Indeed it has been said in certain quarters that the world is sitting on a 'debt bomb'.

"It is said that every man, woman and child on earth owes about \$154. The external debt of developing countries increased to \$517 billion in 1981. Many countries, particularly

the low income developing countries, most of which are among the ACP states, cannot service debts through their export earnings. Many of these have had to borrow in order to service the debts. Some developing countries have announced their complete inability to repay their debts. It is feared that general defaults would ruin world financial institutions, turning the present recession into a depression and bringing back the economic conditions of 1930s.

"While many ideas are put forward, including the idea of writing off debts etc., it is acknowledged that the real solution to world economic problems at this juncture is an upturn in the world economy, both in industrialized as well as in developing countries. To enable the necessary measures to be taken there must be a common understanding of the problem. The developed and the developing countries must have a common recognition of the potentialities and the limitations of each side. On the basis of this understanding effective solutions can be found.

"The 1983 negotiations offer an unusual opportunity to the members of the Lomé Convention, particularly the EEC states, to show the world the way out of the present world economic crisis. If a convention can be achieved in which ACP underdevelopment is effectively tackled, so that their development and trade with the EEC can be stimulated, a solution would have been found for the present world development impasse." ○

Gaston Thorn visits ACP House

The President of the EEC Commission undertakes to defend the Lomé policy

1983 is the year in which the negotiations for the renewal of Lomé II begin. Gaston Thorn's visit to ACP House on 20 January was an opportunity for the ACP ambassadors to have an informal exchange of views with the President of the Commission on a number of subjects which will be high up on the negotiating agenda.

In welcoming Mr Thorn, who was accompanied by his chef de cabinet, Jean Durieux, the chairman of the committee of ambassadors, Martin Rekangalt, expressed his concern that the Community was losing inter-

est in cooperation with the ACP states.

He said that the Community seemed less eager to maintain these relations. Indeed a number of tendencies were coming to light, such as: the fact that the Community had increased protectionist barriers in the face of a general deterioration in trade which was already being felt in ACP exports to the Community; the Community's failure to honour a number of formal commitments, notably that of examining the requests of a number of ACP states to adhere to the sugar protocol; the continual deterioration of the capacity of Sta-



Gaston Thorn (centre) during his visit to ACP House; with him are ambassador Rekangalt (Gabon), right, and on the left Edwin Carrington, deputy secretary-general of the ACP group

bex; a certain reticence on the part of the Community to discuss problems which are of paramount importance for the ACP states, such as the situation of ACP students in Community member states; the Community's inability to face up to the negative effects on the ACP states of continuing to pursue policies aimed at reducing the generalized preferences granted to ACP states, notably by steadily expanding the GSP in fields where the ACP states have a limited trade capacity.

Moreover, quite apart from the above, a number of the provisions in the Convention are virtually a dead letter. Examples of these provisions are those covering industrial cooperation and investment, including the right to non-discriminatory treatment for investments made by Community member states in ACP states, and their existence confirms the point of view shared by an increasing number of people that there is a growing trend in the Community towards a development policy geared to developing countries as a whole, showing very little preference for ACP states.

Replying to the chairman of the ACP committee of ambassadors, Mr Thorn said that along with the common agricultural policy, the Lomé policy was one of the Community's essential achievements. It was a feather in the Community's cap and, even if it was not perfect, it was one of the best things which the Community had done and he believed that the Community would lose its reputation, as well as its credibility, if it did not remain faithful to the principles which had led it to contract this privileged association.

Mr Thorn said he was committed to them and that if ever they were called into question, he could no longer assume the responsibilities he had been given.

He thought it was wrong to say, or even to think, that the Community's interest in cooperation with the ACPs was waning in favour of a more global policy geared to all countries. However, it was quite legitimate to want to express this concern, if only to hear it contradicted. This sort of thing was expressed in every community. But care should be taken not to express it too often. By dint of repeating that the priorities had changed and that things were not the same any more, people would start to believe it and there might come a time 'when the people on our side' started believing it too.

Where the reasons were tangible and obvious, it was normal that they should be expressed, discussed and dealt with. However, over-repetition could create a rather dogmatic attitude.

Mr Thorn told the chairman and his colleagues that if they had any specific, valid reproaches to make, either now or at a later stage, here or elsewhere, they should give reasons for them. In other words, he was asking for tangible proof, objective signs of these tendencies. He knew very well that figures could be twisted and manipulated, used and abused. Nevertheless, a comparison of the Community's effort vis-à-vis the ACP states and the other developing countries showed that financial assistance to members of the Lomé Convention amounted to ECU 1 000

million, and to ECU 200 million in the case of other developing countries; that 'seemed to sum up' the relation.

Replying to a question on the weakness of European investments in ACP countries, Mr Thorn said that it was a universal problem.

There was the same problem of disinvestment in the Community at the present time, and the whole issue should be seen in the light of the fact that there is a decline in investment all over the world. It is a generalized phenomenon. However, the problem was a relative one. European public investment in ACP countries was higher than in other parts of the world, or rather disinvestment was lower. Mr Thorn admitted that the same could not be said for private capital. In the case of private investment a lot could be done to bring businessmen to the ACP countries, to put them in touch, but investment could not be forced, particularly in these difficult times when there was a great deal of risk involved for private capital in regions where a minimum of other conditions would not be fulfilled. Mr Thorn said he did not want to offend anyone, but rather, as an economist and politician, explain the difficulties being encountered.

This was the general picture of the situation, the background to what had to be the prime objective as described by the chairman in his speech on the negotiations for the new Convention. Both sides should devote the best part of their efforts to listing the objectives and ambitions in this context. Mr Thorn repeated that for himself, for the Commission and for the EEC, this renegotiation was of capital importance. Mr Pisani and his team had really done all the necessary preparatory work to ensure that the timetable was respected and had not waited until the last minute to start preparations. Indeed, they had rarely been started so early. Everyone knew that it was the first convention which was to be negotiated against an unfavourable economic background. ○

ACP COMMITTEE OF AMBASSADORS

The ACP-EEC Committee of Ambassadors met at ACP House in Brussels on 1 February 1983 under

the joint chairmanship of the Gabonese ambassador, Martin Rekangalt, and the permanent representative of Germany, Mr Poensgen.

This 14th meeting of ACP ambassadors with their EEC counterparts had fallen through for the first time on 7 December 1982, and then again on 18 January 1983, owing to

Val d'Aosta

We have received from ambassador Sy of Senegal a letter concerning the *Courier's* report in issue no 77 (January-February 1983) of his contribution at the Val d'Aosta seminar on culture and development. Below, in translation, are the main points of ambassador Sy's letter:

"... while welcoming the effort to cover ACP-EEC meetings more extensively, I must point out, in the interest of properly informing your readership, that the part of the report covering my contribution was incorrect and tendentious... On the subject of the Pisani memorandum, I pointed out that since the ACP had not taken up a position on it (and nor at that time had the EEC member states), it should be taken for what it was, namely, a working document which, while containing interesting ideas, did not commit its author. In this light it was necessary to study it with reserve.

"As for cultural cooperation, it was Senegal which first said that it was necessary to add a cultural side to ACP-EEC cooperation in the report submitted in Maseru in 1977 by André Guillaibert. This is why it is incorrect to say that I thought it was 'premature and superficial to programme this aspect of ACP-EEC relations into an outline for future action without closer consultation and research. This distorts my view. I in fact said that Senegal would not be content with a superficial approach which only concerned itself with the folklore aspects of culture. The addition of cultural considerations must go hand in hand with the definition of an autocentric development policy which entails closer consultation between the ACP and EEC on cultural matters. I also pointed out that the Pisani memorandum was very cautious on this point..."

difficulties in agreeing on the agenda, and in particular the inclusion as the main topic for discussion of a question resulting from a mandate of the ACP-EEC Council of Ministers on the situation of ACP students and nationals in Community member states.

The EEC ambassadors' initial refusal to have this point on the agenda, followed by the ACP ambassadors' later rejection of the compromise whereby this point would be included, but off the formal agenda, had for a short time jeopardized the 14th meeting of the committee of ACP-EEC ambassadors.

Thanks to last-minute contacts and the progress made, the ACP-EEC committee of ambassadors finally met on Tuesday, 1 February 1983 and did in fact examine this question of capital importance for the ACP.

On this occasion the ACP side made an important declaration and proposed setting up an ACP-EEC working group which, in accordance with the spirit and the letter of the Libreville Council, would report to the joint chairmen before the next ACP-EEC Council of Ministers.

The ACP-EEC committee of ambassadors then moved on to the various other questions on the agenda. It adopted the draft Council decision appointing the members of the ACP-EEC committee pursuant to article 108 of the second Lomé Convention.

The discussions of various commercial cooperation issues were long

and sometimes lively, such as the debate on arrangements for certain imports of ACP agricultural products into the Community. Nevertheless, the committee of ambassadors welcomed the move towards ACP-EEC coordination which was a feature of the GATT ministerial meeting in Geneva in November 1982.

The ACP-EEC committee of ambassadors was informed of the progress made in the negotiations on enlargement of the Community to include Spain and Portugal.

With regard to Stabex questions, the ACP side made an official proposal that the extraordinary session of the ACP-EEC Council of Ministers on Stabex be held at the end of March or the beginning of April. The European side duly noted this.

The ACP-EEC committee of ambassadors also examined a number of questions relating to the sugar protocol. The ACP countries reiterated their support for the Ivory Coast's request to adhere to the protocol and deplored the length of time taken to examine this dossier. Moreover, the ACP countries expressed their concern that the Congo and Kenya had not had their initial quota re-established.

Women against apartheid

A delegation of 10 women, led by Mrs Jeanne-Martin Cisse, the Guinean minister for social affairs, chairman of the International Conference on Women and Apartheid and the International Committee on Solidarity



The delegation of women against apartheid with Gaston Thorn at the Commission

with the struggle of women in South Africa and Namibia, held discussions with the bureau of the committee of ACP ambassadors at ACP House in Brussels on 31 January.

This delegation submitted a dossier to Mr Martin Rekangalt, chairman of the ACP committee of ambassadors, containing projects drawn up by women in southern Africa with a view to material or financial assistance. These projects aimed to provide women with the means of participating fully in the struggle to liberate their country and, in the longer term, in national reconstruction along the lines of democratic and non-racial societies.

The delegation then visited the European Commission for discussions with Edgard Pisani and Gaston Thorn (see photo).

The delegation informed the Commission of a number of training, social aid and other projects which it wished to promote in favour of refugee women and children in several countries of southern Africa.

Visit by Mr Le Portz

Continuing its contacts with senior officials in various EEC institutions, the ACP committee of ambassadors held discussions with Mr Le Portz, President of the European Investment Bank, on 3 February 1983.

Following visits by Mr Dieter Frisch, director general for development, EEC development commissioner Edgard Pisani, and EEC Commission President Gaston Thorn, Mr Le Portz accepted in turn to come to ACP House to meet the ACP committee of ambassadors.

Mr Le Portz talked on the role of the EIB and the Bank's activities in the sphere of ACP-EEC cooperation. Mr Le Portz explained that the European Investment Bank had neither an autonomous policy nor any scope for initiative in respect of the EEC's development aid policy. The EIB was rather an instrument for implementing a part of this policy.

Since 1963 the Community's association with developing countries had meant that EIB activities, mainly in the fields of industry, hotels and tourism, energy and pre-investment studies, had had to be extended outside the Community, in particular to the states of the Lomé Convention.

Mr Le Portz said that under the

first Lomé Convention nearly 70 % of all EIB operations in ACP states had gone on industrial, agro-industrial and mining investments, 20 % (ECU 139 million) on energy projects and the remainder (ECU 21 million) on tourism and the financing of studies.

The ACP committee of ambassadors was concerned about: the diversification of the EIB's fields of intervention in the ACP states; the amount of the Bank's resources earmarked for ACP states; EIB loans to industries which seemed to be or were in fact competitive with Community industrial sectors; the high interest rate policy pursued by the EIB; and present and future cooperation between the EIB and the regional and national institutions issuing loans for the development of ACP states.

Finally, the committee of ambassadors asked Mr Le Portz to suggest what the EIB could do to ease the debt burden which was paralyzing a number of ACP states.

It was agreed that this exchange of views between the ACP committee of ambassadors and the EIB would be continued on other occasions. ○

EDF

Following the favourable opinion delivered by the EDF Committee at its 174th and 175th meetings on 16 December 1982, the Commission has decided to finance the following projects:

Mali

Multiannual training programme
Fifth EDF: ECU 3 000 000
Grant

The aim of the project is to finance a multiannual (1981-85) training programme for Mali, covering a substantial range of awards for basic and specialist training, advanced courses for rural development extension workers, courses on human resource planning and a number of seminars on various topics, to be held either in Mali or elsewhere.

Sierra Leone

Koinadugu integrated agricultural development project, phase II
Fifth EDF: ECU 7 500 000
Grant

The Koinadugu Integrated Development Project (KIADP) was initiated in July 1978; spread over four years, its aim was to increase the income and improve the living conditions of the population in the area in question.

Phase II will be organized on the same basis as phase I and will concern the same area. However, activities will be stepped up so that the number of peasants benefiting from the project will be almost half as numerous again as under phase I.

Guinea

Soguiplast plastics factory
Fifth EDF: ECU 7 150 000
Grant

This project involves supplementary financing for the Soguiplast project following the withdrawal of one of the parties co-financing the project.

The purpose of the Soguiplast project is to renovate and extend the factory of the Société Guinéenne des Plastiques at Conakry in Guinea so that it can supply the national market with plastics.

Ethiopia

Dessie region power project
Fourth EDF: ECU 13 000 000
Fifth EDF: ECU 11 500 000
Grant

The purpose of the project is to extend the hydro-powered interconnected electricity system (ICS) to supply areas currently served by local diesel-powered generating stations.

The project involves the following:

- construction of 295 km of 132 kV transmission line from Cotobie to Combolcha and 13 km of 66 kV line from Combolcha to Dessie;
- construction of four sub-stations, including transformers, at Debre Berhan, Robi, Combolcha and Dessie and an outgoing bay at the Cotobie sub-station.

Somalia

Goluen-Gelib road
Fifth EDF: ECU 8 000 000
Grant

The aim of this project is to improve and asphalt the 257 km Goluen-Gelib road.

All Caribbean ACP states and OCT

Regional tourism promotion programme

Fifth EDF: ECU 800 000

Grant

The principal aims of this project are to:

- maintain and if possible improve the level of employment in the region;
- increase the inflow of foreign exchange and thereby improve the balance of payments of the participating countries;
- increase demand for agricultural products, craft items and other indigenous products;
- ensure a healthier tourism industry by increasing the number of holidaymakers.

Gabon

Owendo artisanal fisheries centre

Fifth EDF: ECU 1 900 000

Grant

The aim of the project is to provide a centre for artisanal fishing activities on the right bank of the Gabon estuary about 15 km south of Libreville in Estuaire province.

It is hoped this will:

- encourage young Gabonese starting out as fishermen;
- increase and stabilize production and improve product quality.

New Caledonia

Veterinary laboratory and livestock health survey

Fifth EDF: ECU 350 000

Grant

It has been decided to provide New Caledonia with efficient livestock health testing facilities and also to find out exactly what animal diseases are present in the territory.

The authorities have already opened a laboratory and are launching an animal health survey for that purpose.

The EDF contribution will be used to purchase equipment, scientific instruments and means of transport and to pay for the survey.

Vanuatu

Multiannual training programme

Fifth EDF: ECU 155 000

Grant

The programme provides for the training of senior officials and a rather large number of new government service recruits.

Solomon Islands

Multiannual training programme

Fifth EDF: ECU 1 190 000

Grant

The project provides for local and foreign training of officials and for awards to students to enable them to study at universities in neighbouring ACP states, together with technical assistance for public bodies.

Rwanda

Overall development of Butare prefecture

Fifth EDF: ECU 10 400 000

Grant

The project consists of a set of schemes aimed at improving food production and encouraging the overall development of the prefecture by creating jobs outside the primary sector.

In practice, this would involve creating infrastructure, supplying equipment and agricultural inputs, extension work and technical assistance.

All ACP states and OCT

Financing of technical cooperation and trade promotion schemes

Fifth EDF: ECU 20 000

Grant

Overall appropriation for the financing of technical cooperation and trade promotion schemes in all ACP states and OCT.

All ACP states

Financing under regional cooperation arrangements

Fifth EDF: ECU 1 760 000

Grant

The purpose of this financing proposal is to provide the ACP states with effective financial and technical assistance, within the framework of regional cooperation, to enable them to organize their participation in international trade events which are likely to contribute to the common development of several states, through joint schemes or coordinated national schemes.

Lesotho

Trade and tourism promotion programme

Fifth EDF: ECU 714 000

Grant

The aim of this project is to improve Lesotho's balance of trade by increasing its export earnings. This, among other things, is to be achieved by improving the country's ability to:

- export commodities and promote these exports;
- attract export-oriented industrial investment;
- consolidate and improve the country's image as a tourist destination.

Fiji

Rural roads on Viti Levu (phase II)

Fifth EDF: ECU 2 000 000

Grant

The project provides for the construction of 21 km of rural roads on Viti Levu and is an extension of the project financed under Lomé I.

A construction period of 24 months is envisaged.

As with the project financed under the fourth EDF, this project will help to open up isolated areas of Viti Levu. The approximately 2 000 inhabitants of the project area will benefit from the project through improved access to services and through the generation of tangible benefits in the form of increased agricultural and forestry output.

Papua New Guinea

Momote airport

Fifth EDF: ECU 1 000 000

Grant

The project involves the reconstruction and sealing of the runway and movement areas at Momote airport on the island of Manus in Papua New Guinea.

The main objective of these works is to improve the safety of the airport.

Saint Vincent

Livestock development project

Fifth EDF: ECU 415 000

Grant

The aim of the project is to increase livestock production in Saint Vincent.

To this end a livestock development centre will be created and the development of smallholder farming supported.

The centre will concentrate on dual-purpose cattle and on sheep and goats.

Smallholder farming will be supported by enabling smallholders to obtain the means necessary to increase production.

Mali

Ferries and tracks

Fifth EDF: ECU 1 571 000
Grant

This project seeks to improve road traffic conditions in various places by the following means:

- supply of six complete ferries (approximately 20 t) and one ferry engine;
- maintenance of two tracks (45 km and 25 km);
- improvement of a river crossing by the construction of a 30 m bridge-ford.

The new ferries will make it easier to cross the Senegal, Niger and Bani rivers and the Sélingué dam at the particular points concerned. The ferries other than those to be introduced near Ségou and Sélingué will replace the ones that have been in operation since the 1950s.

Madagascar

Multiannual training programme

Fifth EDF: ECU 3 180 000
Grant

The training programme will cover the period 1982-85. The funds available will be allocated as follows:

- ECU 2 100 000 for study awards in the agricultural and agro-industrial sectors and in several technical and industrial sectors;
- ECU 1 000 000 to organize specialized agricultural and technical courses. Specialists will be sent to Madagascar and specific group courses will be organized.

Burundi

Gitega-Gihofi road

Fifth EDF: ECU 9 000 000
Grant

The project involves the improvement and asphaltting of the Kitaba-Gihofi section (28.5 km) of the Gitega-Gihofi road, the first part of which is being improved with joint financing

provided by Germany and Saudi Arabia.

This 89 km road is intended to form a major link with the south-eastern provinces of the country, serving the coffee-growing areas in the south of the province of Gitega and providing access to the Mosso plain. The latter area has great agricultural potential. Since it is fairly thinly populated, it will assume increasing importance as an area where people from the over-populated highlands can settle.

Jamaica

Electronic data-processing facilities for tax administration

Fifth EDF: ECU 3 260 000
Grant

Deficient tax administration has been a major factor in Jamaica's large fiscal deficit, even on current account. The judicious use of electronic data-processing facilities (EDP) can significantly improve the quality of tax administration and of revenue generation.

The project will cover the provision of:

- electronic data-processing equipment (two computer installations),
- technical assistance for a limited number of preliminary studies and for permanent staffing support (7 EDP professionals) over two years,
- training professionals to assist in developing "in-house" EDP skills,
- periodic supervision.

Antigua and Barbuda, Barbados, Dominica, Grenada, Guyana, Jamaica, Montserrat, Saint Kitts-Nevis, Saint Lucia, Saint Vincent and the Grenadines, Trinidad and Tobago

LIAT (Leeward Islands Air Transport)

Regional project

Grant

Fourth EDF: ECU 2 765 000

Loan on special terms:

ECU 2 480 000

Grant

Fifth EDF: ECU 431 000

Total: ECU 5 676 000

The aim of the project is to improve the operational and financial performance of Leeward Islands Air Transport Ltd (LIAT), a private lim-

ited liability company incorporated in Antigua and owned by 11 shareholder Caribbean governments. LIAT currently is the only airline that provides scheduled flights on a number of routes and, for several Caribbean countries, it provides the main, and in some cases the only, air link with the surrounding world. LIAT was established in its present form in 1974 when the previous owner, Court Line, went into liquidation. During the first years of operation, the company incurred financial losses. The financial performance was somewhat improved during the following years as a result of rationalization, but in the last few years losses have drastically increased due to higher fuel costs, lower traffic volume, interest and inflation.

Caricom

Regional tourism research and development project for the Caribbean (CTRC)

Fifth EDF: ECU 4 100 000
Grant

SADCC

The Commission adopted a financing decision for SADCC at its 175th meeting on 18 January.

Botswana, Lesotho, Malawi, Swaziland, Tanzania, Zambia, Zimbabwe

Technical assistance for the secretariat of SADCC (Southern African Development Coordination Conference)

Regional project
Fifth EDF — grant
ECU 2 000 000

SADCC's main aims, which the project aims to further, are:

- to make the region less dependent on other countries;
- to provide an operational framework for regional cooperation;
- to mobilize the resources needed to carry out regional programmes;
- to act together to ensure practical support for SADCC strategy.

The aim of this project is to strengthen the SADCC Secretariat so that it can carry out its work on the technical aspects of economic cooperation in Southern Africa more efficiently (see article p. XI).

The main objectives of the project are as follows:

- to improve the planning and developmental capabilities of Caribbean member states in order to enable them to maximize the benefits from tourism;
- to help establish tourism education within the curriculum of the school system throughout the region and to assist in the general process of developing tourism education, particularly by conducting community projects;
- to upgrade Caribbean human resources in the tourism industry at every possible level;
- to expand and improve the linkages between the tourism sector and the agricultural and agro-industrial sectors;
- to provide within the CTTC the capability to meet the growing demand from member states for a wide range of technical expertise and skills. ○

EIB

Enlargement of a coal-fired power station in Zimbabwe

The European Investment Bank has made a loan for the equivalent of ECU 20 million towards enlargement of a coal-fired power station at Hwange, in north-west Zimbabwe.

This is the second EIB loan in Zimbabwe since this country's accession to the Convention in March 1982 and has been made to the Electricity Supply Commission (ESC), a public utility responsible for electricity generation and distribution. The term is 18 years and the rate of interest 8 % after allowing for an interest subsidy from the EDF.

The EIB loan will go towards an estimated ECU 425 million outlay on the installation of an additional two 220-MW generating units and related equipment at the power station which will increase the rated capacity of the plant to around 920 MW, and is located near an open-cast coal-mine.

The expansion forms part of the Zimbabwe government's plans to increase generating capacity at Hwange eventually to an estimated 1 680 MW, making fuller use of locally mined coal. This second stage, for which the World Bank and the

Commonwealth Development Corporation (United Kingdom) have also provided financing, should be operational in 1986.

Djibouti Development Bank

The EIB has approved credit for the equivalent of ECU 450 000 to assist in establishing a development bank in Djibouti—Caisse de Développement de Djibouti—to promote the country's economic advancement.

The funds, drawn from risk capital resources provided for under the Convention and managed by the EIB, are being advanced as follows:

- ECU 400 000 have been earmarked for enabling the EIB to acquire an equity participation on behalf of the European Community in Caisse de Développement de Djibouti, whose main shareholder is the state, alongside local commercial banks and the Caisse Centrale de Coopération Economique (CCCE), Paris.

- ECU 50 000 will be granted to the institution, once it commences its activities, in the form of a conditional loan for up to 7 years at 2 % for financing project feasibility studies chiefly in the small manufacturing industries sector.

Palm oil mill expansion in Papua New Guinea

The Bank has granted a loan for the equivalent of ECU 7.9 million towards the expansion of processing capacity at a palm oil mill in Papua New Guinea. The funds have been advanced to Higaturu Oil Palms Pty Ltd (HOPPL), a 50-50 joint venture between the state and the Commonwealth Development Corporation (United Kingdom), for 11½ years at 8 %, after deduction of an interest subsidy drawn from the resources of the Community's EDF.

The EIB financing goes towards a second processing line in the oil mill, doubling its capacity to 60 tonnes per hour and expansion of storage facilities, bringing the total investment cost to around ECU 25 million. The investment is in line with increasing production from around 9 900 hectares of oil palms planted by HOPPL and shareholders in the Papondetta region.

In 1979, the EIB lent ECU 7 million, with interest subsidy, towards construction of the first processing line

currently in operation. In addition, it advanced ECU 1.9 million to the Papua New Guinea government to finance part of the state holding HOPPL (these funds were drawn from risk capital resources which the Bank manages under the Lomé Convention).

Small businesses in Burundi

As part of financing provided for under the Second Lomé Convention, the European Investment Bank has made a loan for the equivalent of ECU 1.3 million to finance small and medium-scale enterprises in the industrial, agricultural processing and tourism sectors in Burundi.

The EIB financing in the form of a conditional loan, for a term of up to 15 years and at a rate of 6 %, has been made available from risk capital provided for under the Convention and managed by the EIB. The borrower is the Banque Nationale pour le Développement Economique du Burundi (BNDE), a financial institution created in 1966 with as its main shareholders, the state, the Belgian government, the French Caisse Centrale de Coopération Economique and Germany's Deutsche Entwicklungsgesellschaft.

Small investment projects in the Ivory Coast

The Bank has also granted a loan under the second Lomé Convention for the equivalent of ECU 5 million (almost 1.7 billion CFA francs) to help finance small and medium-scale investment projects in industry, the agro-industrial sector and tourism, in the Ivory Coast.

The financing takes the form of a global loan (basically a line of credit) to the Compagnie Financière de la Côte d'Ivoire (COFINCI) for 12 years at a rate of interest that works out at 8 % after deduction of an interest subsidy charged to the European Development Fund.

Expansion of geothermal power station in Kenya

The EIB has granted a loan for the equivalent of ECU 9 million towards the expansion of a power station exploiting a geothermal field in the Rift Valley, north-east of Nairobi in Kenya. The funds are being advanced to the Kenya Power Co Ltd over a 15-year term, with interest charged

at 8 % after deduction of an interest subsidy drawn from the resources of the EDF.

The company, which is wholly government owned, is specifically responsible for tapping Kenya's geothermal resources, and already has in operation at Olkaria, the site of the project, a plant consisting of two 15 MW generating sets driven by steam from wells sunk into the thermal reservoir. The project to be financed by the Bank involves the addition of a third generating set together with all ancillary plant at a total cost estimated at ECU 39 million. Co-financiers for the project are the World Bank and the Commonwealth Development Corporation.

Commissioning of the new installations, scheduled for 1985, is expected to lead to a reduction of roughly 30 000 tonnes per year in the volume of oil burned at thermal power stations.

Development of small and medium-sized firms in the Netherlands Antilles

The EIB has also agreed finance for the Ontwikkelingsbank van de Nederlandse Antillen n.v. (OBNA), the local development bank, to the tune of ECU 840 000. Created in 1981 with the participation of local commercial banks, the OBNA aims to provide funds to small and medium sized enterprises in the industrial and tourist sectors in order to diversify the economy which is at present heavily dependent on refining imported oil.

The EIB loan is the first to this overseas territory, and is possible under the decision on the EEC Council of Ministers of 16 December 1980 which enabled aid to be granted to OCTs which have particular links with certain EEC member states. ○

COURT OF AUDITORS

Annual report

The Court of Auditors of the EEC draws attention to a certain number of weaknesses and irregularities in the functioning of the European Development Fund, in its annual report on the financial year 1981. While recognizing that the vast majority of projects financed by the EDF in the

ACP states are fully justified by their financial profitability or their beneficial effect on the national economy, the Court of Auditors pointed to the following weaknesses in the choice or implementation of certain projects:

- A total lack of justification. For example the installation in Mauritania, in an isolated spot without adequate technical facilities, of a thermodynamic solar pump, which worked only for a few hours when it was put into service in 1980 or the introduction of the cultivation of the avocado tree on a semi-industrial scale in the Ivory Coast, when the country had no experience in this type of cultivation.

- Inadequate preliminary studies. For example the case of the rubber project at Grand-Bereby, in the Ivory Coast, where it was necessary to reduce the rate of planting from 3 000 ha/year to 2 000 ha/per year. In other cases it is the "finished product" which through bad design does not adequately meet requirements. The juxtaposition, in breach of the basic principles of hygiene, of abattoirs, incubators and feed factory, at the poultry farm in Baguida, in Togo, was probably the cause of the very high mortality rate of the livestock on the farm (85 % in 1975).

- Failure to adapt designs and techniques to local conditions. Many architectural designs are not appropriate to the climate of tropical countries; flat roofs, for example, as in the case of the Institut national de la santé publique in Abidjan, cannot stop water seeping in from the torrential downpours. The six threshing machines provided in the Gorgol development area in Mauritania cannot thresh the local varieties of crops and have remained unused since they were delivered.

- Unsatisfactory comparison of tenders. For example the lowest bid for the Nouakchott-Rosso road was pared to the bone and it subsequently turned out that the unit prices were underestimated. In spite of this, the EDF insisted on them, and the contract, which was concluded for an amount of ECU 4.4 million, finally cost ECU 8.6 million, and half the road must now be rebuilt at an estimated cost of ECU 12 million.

- Lack of coherence of the physical and human resources used in the projects: in some cases, the factories for processing agricultural produce are too large or put into service prematurely in relation to the volume

of the production to be handled, and are therefore frequently under-used (in the Ivory Coast and Togo).

- Lack of coordination in financing. For example the bridges over the Casamance in Senegal, for which EDF finance of ECU 7 million was provided, have had their usefulness as part of the Ziguinchor-Dakar link considerably reduced by the absence of a bridge over the river Gambia, which can only be crossed by a ferry of limited capacity that gives rise to long delays. Vehicles often prefer to make a detour of 400 km via eastern Senegal.

- Objectives not fulfilled. Poor matching of finance and objectives prevents both attainment of the objectives and containment of the costs. The second dam project in the Hodhs in Mauritania provided for the construction of 18 dams for ECU 3.46 million (of which ECU 2.19 million were to be borne by the European Community. An updating in 1977-8 showed considerable increase in costs. Despite additional German financing of ECU 1.83 million (+53 %), only 5 dams and some 40 small earth dykes have been completed.

- Failure to take into consideration later management constraints. Beneficiary countries encounter extreme difficulty at times in meeting the running costs necessitated by many projects, for example a number of roads and schools in Togo, the furniture in the primary schools in Senegal, and roads built in Malawi under the national rural development programme (NRDP).

The comments of the Court of Auditors are based on its missions to Senegal, the Ivory Coast, Lesotho, Malawi, Mauritania, Togo and Benin. The Court of Auditors made a detailed report on each mission for the European Commission which is responsible for the management of the EDF. The criteria followed during these missions and the principles on which the comments are based were indicated in an interview with Marcel Mart, who is responsible within the Court of Auditors for relations between the EEC and the developing countries, in the *Courier*, no 77 (November-December 1982).

The European Commission's replies

The European Commission gave the following replies to the Court of Auditors' criticisms:

— *The solar pump in Mauritania.* The installation was experimental. The Commission has since financed, in 1980, an "assessment of equipment for exploiting solar energy, of which the conclusions are currently being used in undertaking new projects in this field.

— *Inadequate preliminary studies.* In the field of development, there are three possible approaches: perfectionism, which greatly increases the time and money needed for the project, laxity, which condemns the project to failure and a "middle way", involving the calculation of the degree of risks and uncertainties. It is this third approach which the Commission has chosen, having experienced the disadvantages of the other two.

— *Adaptation to local conditions.* The Commission pointed out that there are many other examples of designs which are well adapted and that it won the Aga Khan prize for the health centre in Mopti in Mali, because of the successful adaptation of the centre to the physical, human and cultural environment.

— *Unsatisfactory comparison of tenders.* The Nouakchott-Rosso road was cofinanced with the IBRD and Mauritania. Moreover, the Commission said, account must be taken of monetary changes. The ECU 8.6 million quoted corresponds to 1967 units of account and the 12 million to 1982 ECUs. In addition, a considerable tendency towards deterioration was added to the inferior quality of the material available for the construction of the second section.

— *Lack of coordination in financing.* Gambia was not yet a Community partner when the Ziguinchor-Dakar bridge was financed, and the bridge was largely justified by the local need to cross the Casamance and not by the need for the only Ziguinchor-Dakar link.

— *Physical and human resources used in the projects.* The claim that the factories are "too large" should be qualified since the cost is not proportional to the size, the Commission said, especially if standard factors are respected.

— *Objectives not fulfilled.* The Commission cannot act against the will of the beneficiary state. In the dam project in Mauritania, the government of the country attaches more importance to the global impact and the legitimate requirement of halting the rural exodus than to economic and financial profitability.

— *Technical choices and failure to take into consideration later management constraints.* Management constraints tend to be underestimated by the beneficiary countries when the projects are being prepared and the Commission has often had to insist strongly that the national administration accept technical assistance, training of local personnel, etc. In some cases, the Commission has financed a programme of technical assistance, in order to contribute to solving the problems of using maintenance equipment and building up stocks of spare parts. ○

VISITS

Dieter Frisch in Burundi and Swaziland

The Commission's director-general for development, Dieter Frisch, made an official visit to Burundi in mid-January in order to discuss with the Burundi authorities the progress and prospects for financial and technical cooperation with the EEC.

During his visit Mr Frisch held talks with the President, Colonel Jean-Baptiste Bagaza.

Swaziland

Mr Frisch also made an official visit to Swaziland shortly afterwards where he held talks with the Prime Minister, Prince Mabandla, and other ministers on the state of the Community's programme in Swaziland. In particular the two sides discussed a number of agricultural projects, and certain regional projects aimed at reducing the effects of being landlocked and for which funds were set aside in the 5th EDF. ○

ACP EMBASSIES

Three new ACP ambassadors have presented their credentials to the Presidents of the Council and the Commission of the European Communities. They represent Cape Verde, Guinea Bissau and Surinam.

Cape Verde

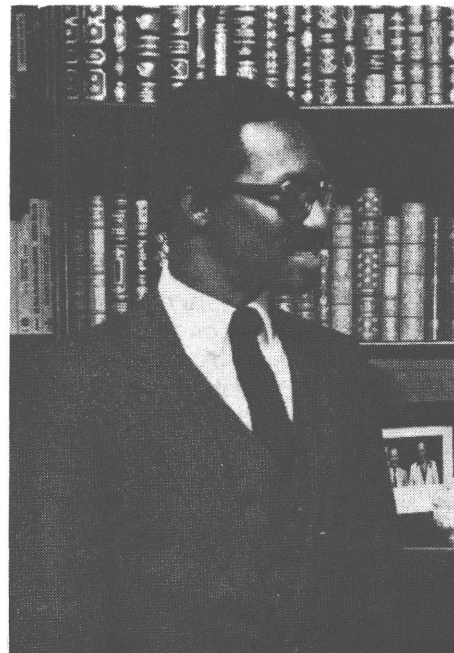
The new Cape Verde ambassador, Humberto Bettencourt Santos, read economics at the Catholic University of Louvain. He returned to his coun-



H. Bettencourt Santos

try in 1974, where he was elected a member of parliament the following year and re-elected in 1980.

In addition to his political activities he was director-general for fisheries until his nomination to Brussels. Mr Bettencourt Santos is 42, married and has two children.

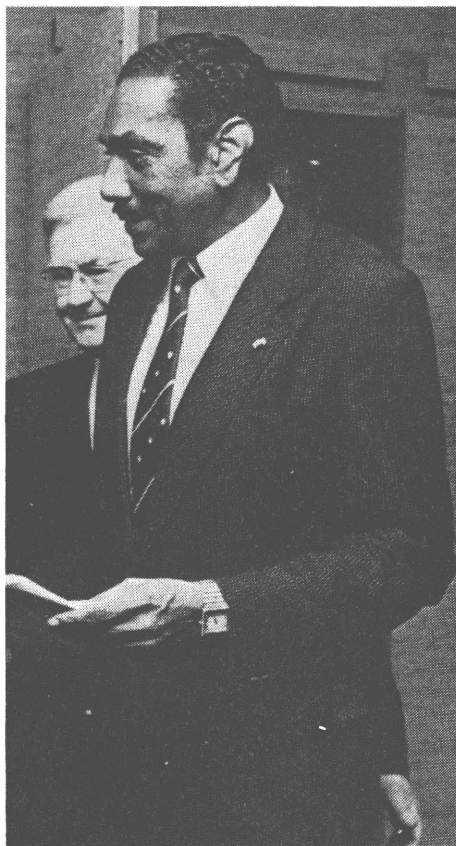


Mario Cabral

Guinea Bissau

Mario Cabral, who graduated in agricultural science from the Higher Institute of Agricultural Science in Lisbon, succeeds Luis Oliveira Sanca as Guinea Bissau's ambassador in Brussels.

He was an undercover militant for the PAIGC in Portugal and from 1971 to 1972 taught in the PAIGC pilot school in Conakry, thereafter becoming director of the political and military instruction centre at Madina de Boé. When independence was declared in 1973 he was nominated a junior minister for economic and financial control. From 1974 to 1978 he was minister for national education, and minister of state with special responsibility for rural development from 1978 to 1981. Mr Cabral, who is married with two children, is 42.



Donald Aloysius McLeod

Surinam

The new ambassador for Surinam in Brussels is Donald Aloysius McLeod. After gaining a PhD in social sciences at the University of Leiden (Netherlands), he began his career as a social science researcher on returning to his country.

From 1970 to 1978 he was director at the ministry of labour and housing. In 1978 he was nominated ambassador to Venezuela, and returned to Surinam in 1981 to direct the research division of the ministry of justice and foreign affairs. Mr McLeod is 49, married and has three children. ○

GENERAL INFORMATION

SADCC IV meets in Maseru

SADCC (the Southern African Development Coordination Conference) is on the right track. This was the feeling shared by representatives from 29 governments and 23 international organizations who met in Maseru, the capital of Lesotho, on 27 and 28 January with ministers of the nine SADCC member states (Angola, Botswana, Lesotho, Mozambique, Malawi, Swaziland, Tanzania, Zambia and Zimbabwe).

SADCC's fourth annual conference—following the meetings in Arusha in 1979, Maputo in 1980 and Blantyre in 1981—focussed on projects in the fields of industry, energy, food and agriculture, and also reported on the key sector of transport and communications.

Pragmatic and coordinated regional development

SADCC's roots, in fact, go back to a meeting in 1978 of the front line states' foreign ministers in Gaborone where, in view of the imminent changes in southern Africa, agreement was reached to develop a strategy for regional economic cooperation. The main objectives of that strategy were to improve the living and working conditions of the 60 million people who live in the SADCC countries, and to reduce the vulnerability of the countries of the region to economic blackmail and reprisals from South Africa. From the outset the approach was meant to be rigorously pragmatic.

The first preliminary SADCC meeting (Arusha 1979) received a positive response from the international community and the organization was broadened from the original front line states to include all the independent states of the region. The so-called Lusaka Declaration—"Southern Africa: toward economic liberation"—signed by the heads of state and government on 1 April 1980, set out a concrete programme of action. Sectoral responsibilities were distributed among the different member states: Angola—energy;

Botswana—animal disease control and crops research for semi-arid zones; Lesotho—soil conservation and land utilization; Mozambique—transport and communications; Malawi—fisheries, wildlife and forestry; Swaziland—manpower development; Tanzania—industry; Zambia—mining and the possible establishment of a southern African development fund; Zimbabwe—food and agriculture.

A key sector: transport and communications

The transport and communications links, inherited from the colonial period by the SADCC states, represent a major factor of dependence on South Africa and are hardly geared to meet the real needs of the region or to allow its economic potential to develop. SADCC's second conference in Maputo in November 1980 tackled this vital sector first. The re-



Representatives from 29 governments and 23 international organizations reaffirmed and strengthened their support for SADCC at the Maseru session

gional Commission for Transport and Communications (SATCC) has succeeded in translating the Maputo pledges from the different bilateral and multilateral donors into firm commitments totalling to date US \$644 million, against this sector's total requirements of US \$2538 millions.

A background of economic destabilization

Though primarily concerned with development coordination, SADCC's search for regional economic self-reliance increasingly suffers from aggressive South African interference, as shown by the recent sabotage of the Beira fuel storage facilities, the December 1982 massacre of South African refugees and Lesotho citizens in Maseru, the destruction on 17 January of Angola's Lomaum hydroelectric power station, to name but a few examples.

In fact, during the night preceeding the SADCC IV opening session, the South African-backed Lesotho Liberation Army blew up a water reservoir near Maseru causing some 7000 maloti of damage, blown up to over half a million rand in South African propaganda.

These and many others acts of destabilization and destruction have to be seen as a "direct response to, and attack on, the growing success of regional economic cooperation among the SADCC countries" as it was put by the SADCC Council of Ministers. On several occasions commissioner Pisani stressed the



Peter Mmusi (right), vice-President of Botswana and chairman of the conference, with Arthur Blumeris (Zimbabwe), executive secretary of SADCC and former ambassador to Brussels

developmental character of the targets destroyed, targets with hardly any strategic or military value. Clearly South Africa views SADCC's possible success as a threat, as it will improve the viability of multiracial societies in the region in contrast to its own aberrant system of apartheid. Mr Pisani also dismantled South Africa's "Cuban" excuse for interference in Angola. "It is because of the presence and attacks of South African troops in Angola that Cuban troops went there". The false linkage of Cuban withdrawal with Namibian independence is only a South Africa technique for stalling the real solution, he said.

"A radical basic needs approach"

The economies of the SADCC member states are not only adversely affected by these deliberate acts of aggression and sabotage. Current SADCC chairman P.S. Mmusi, Botswana's minister of finance and de-

velopment and recently appointed vice-President, drew attention to adverse weather conditions in the region. Drought in particular has affected each SADCC state with both short-term effects, mainly increased dependence on food imports and aid, and long term effects, threatening the viability of their fragile ecologies.

World recession has cut the SADCC states' export earnings and therefore their import capacity. Their agricultural and mineral production has also slackened.

King Moshoeshoe II in his speech to the conference stressed the need for a "radical basic needs approach", respecting basic human rights, to eradicate poverty in SADCC societies. He believed this should be based first of all on a self-reliant development of national and regional resources, and then on cooperation with "like-minded countries, SADCC's friends in the North". He expressed his aspiration to see "a better future for all in the sub-region".



King Moshoeshoe II of Lesotho



Commissioner Edgard Pisani (centre) with the EEC Commission's development director-general Dieter Frisch (left foreground) and Giovanni Livi (right), the EEC director responsible for southern Africa.

Strong international support

All EEC member states were represented at the Maseru meeting, three at ministerial level (Denmark, the Netherlands and the United Kingdom). Speaking on behalf of the Nordic countries (Denmark, Finland, Norway and Sweden), Danish foreign minister Uffe Elleman-Jensen evoked the "pace of progress virtually unique among South-South regional economic cooperation groupings". In this view, "efficient economic cooperation within SADCC can become the means of making the tide turn in the right direction—the creation of stability, peace and true economic independence to the benefit of all countries in southern Africa".

Speaking on behalf of the European Community, Mr Pisani first set out Europe's stand on the specific problems of the area—the need to abolish "the intolerable social system of apartheid"; the need for Namibia's full independence; the right of all countries in the region to live in peace. Solutions to all these problems "are barred by one country and one country alone... it is a threat to peace, it has put itself beyond the rule of the international community". Though meant to discuss SADCC's development programme, in Mr Pisani's view the nature of the Maseru discussion was "at heart political, for the endeavours which we see ourselves as being part of shall lead to the genuine autonomy of these nine countries from their overbearing neighbour".

"Companions in SADCC's enterprise"

The EEC is directly committed to all the main fields of SADCC activity. In infrastructure and energy the aim, said Mr Pisani, was "to change the pattern of existing networks, to overturn history and geography and move in the direction of autonomy". Agriculture and food self-sufficiency would be developed in line with the EEC's food strategy worked out in Zambia. Finally there were the important areas of manpower training and industrial development.

Annually the EEC provides some US \$170 million on a contractual basis to all SADCC states, in addition to the US \$1000 million which the EEC member states contribute for their part. The amount of financial assistance to SADCC countries dur-



LID-Tseleng Lira

SADCC chairman Peter Mmusi:
"Our concern and that of our friends has been to articulate visions into policies, programmes and projects"

ing the lifetime of the present Lomé agreement—including commitments yet to come—is about US \$850 million.

Both Angola and Mozambique have formally declared their intention to participate in the ACP-EEC negotiations for a successor convention to Lomé II. Closer relations of these countries with the EEC will in the end eventually allow the EEC to "contribute more effectively, coherently and harmoniously to the geographical whole (coast to coast) which is being formed".

"In spite of everything, southern Africa can become a region of strength in the world", Mr Pisani said. He expressed the EEC countries' wish to be "companions in SADCC's enterprise".

Continuation of SADCC's momentum

Zimbabwe's former ambassador in Brussels, Arthur Blumeris, who was appointed SADCC executive secretary in November 1982, can look back on his first annual conference with a certain degree of satisfaction, though still facing a massive task in SADCC's future institutional build-up. Once more, as chairman Mmusi stated, SADCC proved not to be an "organization content to outline visions, but concerned to articulate visions into policies, programmes and projects". From a laboratory of ideas it is more and more a factory

of development, "a practical tool of cooperation not deteriorating into a talking shop".

Action on transport and communications is well under way; agriculture, energy and industry have been thoroughly discussed and in the months to come, commitments will be turned into action.

Preliminary estimates show that the Maseru meeting raised some US \$200 million in new pledges over the next few years, with probably more to come as the viability of projects gets better defined in the new areas under review. SADCC's momentum is definitely being kept going and will take it forward to its fifth annual conference in Lusaka in November 1983. ○ R.D.B.

DISASTER RELIEF

M'Hamed Essaafi, coordinator of the United Nations Disaster Relief Office (UNDRO), paid a visit to Brussels at the end of January during which he held discussions at the European Commission with commissioner Edgard Pisani, deputy director-general for development Maurice Foley, and finance director André Auclert. The Community has provided aid for two of the more recent man-made disaster areas of concern to UNDRO, Lebanon, where the EEC has been a major contributor, and Chad. Aid is now being provided to help those expelled from Nigeria.

UNDRO was created in 1971 as a result of a UN General Assembly resolution to coordinate aid in the event of disasters and catastrophes. UNDRO is not operational but coordinates the activities of the various UN bodies such as the FAO, the WHO, UNESCO, UNDP and the UNHCR. UNDRO also works closely with organizations which are not part of the UN system such as the Red Cross. Like the Red Cross, UNDRO has its headquarters in Geneva, Switzerland. The role of the organization was considerably strengthened as a result of UN resolutions in 1981 and 1982. All EEC member states voted for this increase in UNDRO's activities. Although the original emphasis was on natural disasters—hurricanes, earthquakes, volcanoes and so on—the organization has increasingly turned to the effects of man-made disasters, and most recently the long-running tragedy in Lebanon. In all cases



M'Hamed Essaafi (left) with James Grant (centre), executive director of UNICEF, seeing off the first plane-load of aid for Lebanon from Geneva

the agreement of the UN member state involved has to be given and a request sent to UNDRO before relief can be organized. The latest situation which Mr Essaafi is watching with concern has been brought about by the expulsion of foreigners from Nigeria and the impact this may have on neighbouring countries, particularly Ghana. Ghana has already asked for UNDRO assistance.

UNDRO works through the resident representative in each state, who makes the initial assessment of any disaster. Depending on its magnitude an UNDRO official can then be sent out to organize aid coordination. If the state concerned agrees, an international appeal is then made. UNDRO monitors the aid and makes situation reports throughout the various stages of the crisis.

There is also coordination with non-UN bodies such as the Red Cross and NGOs, in order to avoid overlap.

Prevention

UNDRO is also involved in preventing, as far as possible, the losses caused by natural disasters. This is done by improving preparations in areas which are known to be prone to earthquakes, hurricanes and other natural disasters, and thereby mitigate the effects. Training local technicians in awareness of the problems that occur after major disasters, and ways to cope with them, forms part of this preparedness. Early warning techniques are also vital.

UNDRO's activities are primarily in the developing world since the developed countries already have the means to deal with catastrophes. Many of the natural disasters dealt with by UNDRO are in any case ones which affect tropical zones where most of the developing countries are situated.

A decade of experience

Although Mr Essaafi has been in his post for less than a year, the organization now has a decade of experience behind it. "We have learnt many lessons", he says "but the cases are not all similar and we have to learn the lesson from each case. The speed with which the assistance is given is very important, particularly at the beginning. Secondly, the distribution of international assistance is very important—how to make sure it reaches the people in need. Thirdly the nature of the assistance must be appropriate. These are the three most important lessons for us in our coordinating role." ○

Nigeria

The Commission has decided to grant emergency aid of ECU 5.5 million for displaced persons in Benin, Togo and Ghana. Its staff are liaising with EEC delegates on the spot and with international and non-governmental organizations to work out the priorities and organize relief work.

Emergency aid for Chad

The Commission decided to provide ECU 500 000 of emergency aid for the people of Chad under article 137 of the second Lomé Convention at the end of January.

The situation in Chad is desperate, and the United Nations Disaster Relief Office (UNDRO) has launched an international appeal. Civil war and prolonged drought have caused a famine, which is becoming increasingly severe. Health care has been disrupted and drugs and medical supplies are scarce.

The aid will be channelled through "Médecins sans frontières", which gets ECU 180 000 to continue its programme of medical relief work, and UNDRO itself, which gets an ECU 320 000 contribution to help it transport food to the affected areas.

EEC EMERGENCY AID IN 1982

Nearly ECU 100 million in emergency aid in 1982

In 1982 the Commission accorded ECU 94 550 000 in emergency aid for non-Community countries. The Commission has two means by which it can assist developing countries and other non-member countries in emergency situations:

- a budget appropriation for the financing of "aid to disaster victims in developing and other non-member countries". This appropriation, which is not large at the beginning of the financial year, is replenished in the course of the year as the need arises;
- an amount set aside under the second Lomé Convention for financing aid to "ACP states faced with serious difficulties resulting from natural disasters or extraordinary circumstances". This amount is ECU 220 million for the five-year period of application of the Convention.

However, such aid represents only part of the emergency aid provided by the Community. Food aid resources are also at the Community's disposal and are widely used in response to emergency situations.

Aid for disaster victims — ECU 75 475 000

Community aid was accorded in response to major events of 1982. Apart from isolated operations, there were three main recipients, which absorbed 95 % of the aid: Poland, Lebanon and refugees.

Poland

Several financing decisions were taken from the beginning of 1982 onwards to help the Polish people, the most recent of them being on 23 December. A total of ECU 27 million was made available to various NGOs (non-governmental organizations) which handled the administration and delivery of the aid. Thus, in the first nine months of the year, 600 lorries were sent to Poland carrying 10 000 tonnes of food, medical supplies, etc.

Refugees

A total of ECU 35.7 million was made available by way of aid for refugees (plus ECU 12 million under the Lomé Convention—see below), bringing the total to ECU 47.7 million. A special operation involving ECU 35 million was approved in November. This comprises ECU 10 million for South-East Asian refugees, ECU 10 million for Afghan refugees in Pakistan, ECU 5 million for refugees and displaced persons in Angola and ECU 10 million for refugees and displaced persons in Central America. Several non-governmental organizations were involved in this operation, but most of the aid (ECU 27.5 million) is being administered by the Office of the United Nations High Commission for Refugees (UNHCR).

Lebanon

In June the Commission decided on an initial allocation of aid to Lebanon via the International Committee of the Red Cross. In October, in response to an appeal from the United Nations Disaster Relief Office in connection with the launch of its scheme to assist 230 000 persons in Beirut and southern Lebanon, the Commission decided to make a further allocation, bringing to ECU 9.4 million the total sum of aid granted.

The Community also provided Bolivia, Yemen, Nicaragua, Honduras, Tunisia and Spain with flood relief

and Algeria and Morocco with assistance to combat drought.

Exceptional aid under Lomé II — ECU 19 080 000

Although the Community provided aid on numerous occasions in response to natural disasters such as floods, drought and cyclones, the major part of the aid provided for the ACP states was in the form of relief for refugees: ECU 12 million, 63 % of the total amount of aid accorded, was directed to those areas of Africa where this problem exists, i.e. to help the Ogaden refugees residing in Somalia, the Ethiopians in the Sudan, the Angolans in Zambia, the Ugandans in Zaire and Rwanda and the population displaced or repatriated in Ethiopia and Chad. Of the 28 operations for which aid was accorded, there were 8 cases involving refugees and 6 cases of aid following cyclones, the remainder being accounted for by various disasters such as floods, outbreaks of disease and drought.

Commission to provide emergency aid to Ecuador and Yemen

Ecuador

At the beginning of 1983, the Commission decided to provide ECU 100 000 for Ecuador.

The aid takes the form of a contribution to the programme set up by the non-governmental organization "Deutsche Welthungerhilfe" to help the victims of flooding which has devastated several coastal provinces of the country. Harvests have been ruined, some property, services and communications have been destroyed, and the disaster is said to have affected 50 000-60 000 people. The aid programme is to cover the purchase of food products locally and the supply of medicines, tents, blankets etc.

Yemen Arab Republic

A grant of a further ECU 500 000 of emergency aid is going to the Yemen Arab Republic. This follows an earlier allocation of ECU 500 000 which was its initial response to the earthquake of 13 December. Successive tremors have caused additional damage and the estimated number

of homeless is now between 300 000 and 400 000.

The aid will be made available to Licross (League of Red Cross Societies) and used to finance its relief programme. ○

AID TO NON-ASSOCIATED DEVELOPING COUNTRIES

The Commission decided at the end of December to finance the following projects under the 1982 programme of aid to non-associated developing countries:

Dominican Republic

ECU 12 000 000

Support for agrarian reform and integrated rural development.

The programme is designed to consolidate and develop the process of agrarian reform initiated by the government under the direction of the IAD (Instituto Agrario Dominicano).

It is planned to settle new families on land which will previously have been assigned to them in the regions of Bayos and Yaqué del Norte, and to complete the irrigation infrastructure required for the development of this new land (2 000 ha), and also to set up an agricultural extension service.

Honduras

ECU 16 900 000

Assistance for agrarian reform and integrated rural development.

The aim of the programme is to consolidate and develop the agrarian reform process set in train by the Honduran government, under the direction of the INA (Instituto Nacional Agrario).

It is proposed to set up in the Danli (Jamastran and Oropoli valleys) and Talaga areas, where land has already been distributed to cooperatives as part of the agrarian reform programme, a regional agricultural extension service to help not only the cooperatives that have received land under the agrarian reform but also small private landowners farming in the immediate neighbourhood of the areas where the land has been distributed.

Costa Rica

ECU 18 000 000

Assistance for agrarian reform and integrated rural development.

The programme seeks to consolidate and develop the process of agrarian reform begun by the government and carried out under the responsibility of the IDA (institute of agrarian reform).

It envisages the settlement of new families in the districts of Orotina, Turrubares, Puriscal and Acosta.

The programme also envisages the establishment of a road network and social infrastructure, agricultural industries, action to combat soil erosion and measures to facilitate the marketing of produce and provide easier access to agricultural credit.

Nicaragua

ECU 9 800 000

Support for agrarian reform and integrated rural development.

The aim of the programme is to rationalize and speed up implementation of Nicaragua's agrarian reform law, which is already under way.

Land will be distributed to peasant farmers in five of the fifteen priority foodgrain development areas identified in the national food plan (PAN).

As well as thus making a real and significant immediate response to the peasant farmers' demand for land, the programme provides for better agricultural extension facilities both for beneficiaries of the land distribution scheme and for small farmers already established near the land reform areas.

Haiti

ECU 6 600 000

Integrated development in the Jérémie region.

The project is a pilot programme the aim of which is to increase agricultural production, encourage reforestation, organize the marketing of agricultural produce, develop the establishment of cooperatives, and build road infrastructure within the Jérémie region situated on the southern peninsula of the country.

Under a special scheme, a register will be established for the land in selected areas with a view to settling the owners' legal status.

Peru, Bolivia, Ecuador, Colombia, Venezuela

ECU 2 000 000

Applied agricultural research.

This regional project forms part of a larger regional programme of applied agricultural research, coordinated by CIMMYT (international maize and wheat improvement centre) for the Andean Pact countries, to strengthen their national research structures.

South Yemen

ECU 2 500 000

Renovation of the irrigation system in the Dhalla region.

The project provides for the rebuilding of irrigation systems and damaged wells, and protection of the remaining productive land against further erosion.

The project also provides for the installation of a warning system in the event of floods.

Bangladesh

ECU 3 000 000

Bhola irrigation.

The project involves improving the irrigation of 3 900 ha on the island of Bhola by means of rehabilitation, new water engineering works (channels and protective embankment), the installation of low-life pumping equipment and, lastly, agricultural improvement measures.

Bhutan

ECU 3 400 000

Plant protection services.

The aim of the project is to set up a plant protection service in Bhutan, backed by technical assistance and training schemes, with the staff, equipment and plant protection products required to launch a thoroughgoing campaign against crop pests and diseases, and improve the skills of both government technicians and farmers in this specific technical field.

Indonesia

ECU 2 900 000

Artisanal fisheries in eastern Java.

The pilot project, lasting four years, comprises coordinated operations to improve artisanal fisheries in terms of both production and mar-

keting in two fishing villages (Bulu and Prigi) in the eastern part of Java.

These operations involve the introduction and dissemination of new fishing, preservation and distribution techniques.

Indonesia

ECU 8 300 000

Technical assistance to the Bank of Indonesia.

The project involves the provision of technical assistance for the Bank of Indonesia's scheme for developing small firms (SEDP), which is designed to help the local banks acting as intermediaries in implementing the large-scale programme to provide small amounts of credit at present being launched by the Bank (the KIK/KMKP programme).

This scheme will be run by six regional management units and a central management unit in the Bank's headquarters in Djakarta.

Thailand

ECU 13 400 000

Irrigation by means of underground water in Sukothai.

The project comprises the supply of equipment, materials and technical assistance for the implementation of a project for irrigation by means of underground water in the province of Sukhothai, in the northern region of Thailand.

It involves the drilling of 65 boreholes and the installation of the corresponding pumping units and distribution networks to serve a net irrigated area of 3 800 ha, covering some 1 000 families, i.e. a total population of 5 300.

Angola

ECU 2 250 000

Aran and Somar fish processing factories at Moçamedes.

The project comprises two supplementary operations which will result in the improvement of the capacity of the two fish processing factories (Somar and Aran) at Moçamedes so that the interior of Angola can be supplied with high-protein food.

Mozambique

ECU 2 958 000

Development of artisanal fisheries.

The project comprises the provision of fishing equipment and other supplies required to develop artisanal fisheries off Mozambique's coast and inland. ○

SUGAR

Towards a new international agreement

Following the decision of the International Sugar Council in November 1982 to ask UNCTAD to arrange a plenary conference in Geneva next May for the purpose of negotiating a new agreement, the Commission has now requested the EEC Council for authority to participate in the forthcoming negotiations for a new agreement which the Community could join.

It was at its October 1981 session that the Council indicated the Community's willingness to participate in a new and improved ISA, and to that end asked the Commission to explore the possibilities of cooperation with the ISC. Since December 1982 the Commission has been taking part as a full member in the work of the preparatory committee, set up to prepare for the planned negotiating conference.

The need for a more effective agreement

The Community will approach the forthcoming negotiations as an exporting country. In this capacity the Community has a strong interest in seeing the negotiations culminate in an effective agreement.

It is generally admitted that the existing agreement is ineffective and unsatisfactory, and not just because the Community has remained outside. That is why the present members want a new agreement in which the EEC would participate, and which could come into force in January 1984, a year before the 1977 agreement is due to expire.

The Commission considers that the new agreement should lay down essentially the same objectives as the present one. These include stability of price and supplies, if possible an expansion of trade, priority for the developing countries, and better coordination of marketing policies.

The Commission proposes that the objectives of the agreement to be negotiated should be achieved by

a combination of measures which would be differentiated according to the importance of the participating countries:

- the major exporters and developed importing countries would establish a system of nationally-held buffer stocks, in other words they would undertake collectively to regulate the market when necessary by accumulating or releasing national stocks in a coordinated operation;
- the middle-rank exporters would have export quotas backed up by limited undertakings on stocks, as under the present agreement, though the export quotas would have to be fixed at more realistic levels than provided for at present;
- the small exporters would be free to sell all the sugar they produce up to a ceiling to be determined.

The aim would be to see that the market could move freely between a certain price bracket. Stocking or destocking operations and the introduction or removal of quotas, accompanied if necessary by auxiliary measures to control supply and demand, would be decided on when necessary to deal with crises and ensure a return to price stability as soon as possible.

This is where the 1977 agreement has proved so ineffective. In the five years following the entry into the force of the agreement in January 1978, the prices on the world market were within the accepted range for only 12 months. Indeed, the market has undergone two upheavals: in 1980, when the release of special stocks proved insufficient to prevent prices rising to double the agreed ceiling of 21 cents per pound, and in 1981/82 when it proved impossible to cut export quotas enough to support prices at an acceptable level,

with the result that prices slumped to less than half the agreed floor price of 13 cents per pound. Indeed, the export regulation machinery set up by the 1977 Agreement actually produced quotas well above actual world demand, or even the export capacity of some of its members. This is why the Commission considers that in the new agreement, the main instrument for stabilizing the international sugar market should be the proposed system of coordinated stocking measures by the major sugar exporters including the EEC, who together account for some 80 % of world trade.

In addition, the Commission proposes that the new agreement should also deal with other weaknesses in the present agreement:

- greater participation by developed importing countries in the market stabilization machinery;
- consideration of sugar substitutes such as isoglucose which have taken an increasing share of the sweeteners market in developed importing countries;
- overall market transparency, including not just the special arrangement for EEC imports from the ACP countries but also the special arrangements for Cuba and the COMECON countries. ○

USA-EEC

George Bush visits the European Commission

The Vice-President of the United States, George Bush, was received by EEC Commission President Gaston Thorn in February. After a private meeting, they had a working meeting attended by Vice-President



Vice-President Bush of the United States (left) in conversation with Commission President Gaston Thorn

Bush's delegation and several members of the European Commission.

The visit, which followed a trip in December by US Secretary of State George Schultz and four other members of the US government, took place in a friendly and constructive atmosphere. President Thorn described these visits as "tangible signs of the political will on both sides of the Atlantic to manage our affairs in a way which will preserve and develop a relationship on which so much depends for the whole world".

He noted "the political will on both sides to defuse some major trade tensions between us", as reflected in the steel arrangement, the lifting of the pipeline sanctions, work towards a common approach on East-West trade and the result of the GATT ministerial meeting.

But Mr Thorn also expressed the "considerable surprise of the Commission regarding US action to take over for 12-14 months the total Egyptian flour market at subsidized prices well below the world market... This action seems hardly compatible with the spirit in which official talks on agriculture were launched in December". Mr Thorn added: "We are forced to take this to the GATT as incompatible with GATT rules and reserve the right to take counter-action if any further action of this kind were taken."

He stressed that "the Community has held and will hold to the GATT rules on agricultural subsidies" and that "the principles of the common agricultural policy are not negotiable". "We recognise that we both need to operate policy adjustments, but our exports cannot be held responsible for the difficulties of your farmers", he said.

Referring to the present economic situation, with low growth and high unemployment, Mr Thorn observed that "things are serious" and that it was important to restore confidence in the capacity of the West to keep under control an uncertain and confused situation. "We have a common responsibility—all the more in the run up to Williamsburg—to pursue three essential lines of action:

- more growth and closer concertation of our economic policies,
- restoring monetary stability and ensuring a concrete follow-up to the conclusions on this of the Versailles Summit,
- ensuring growth in developing

countries, and regular growth in world trade by reinforcing the international financial institutions and the solidity of the banking system."

On East-West relations, President Thorn stressed the importance of Community cooperation in the work being done in the OECD on trade, finance, energy, agriculture and trade in technology. ○

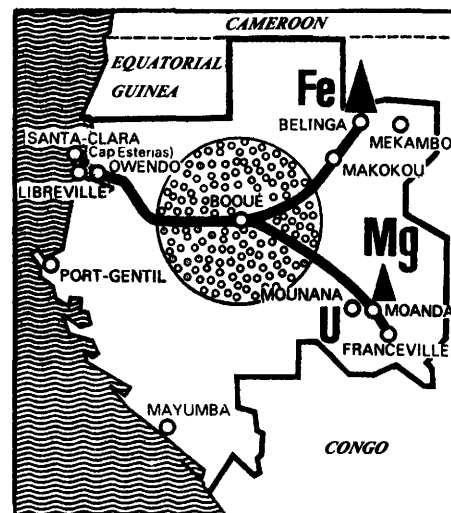
GABON

Inauguration of a further section of the Transgabon railway

During his visit to Gabon in January, French President François Mitterrand attended the inauguration of a further extension of the Transgabon railway to Booué in the centre of the country, some 340 km from the coast. The ceremony was performed by Gabon's President Omar Bongo.

In his speech, President Bongo spoke of the great importance of the railway to Gabon. It had, he said, allowed the two presidents to meet in the middle of the tropical forest to cement their friendship.

It was, he continued, a political ambition to build what amounted to



the backbone of the future economy. It was being grafted onto the existing communications system of rivers and roads, and would perform the vital role of opening up the interior.

In reply, President Mitterrand spoke of the start of the railway, which would have been in the colonial period when the studies were made had it not been for the intervention of World War II. The project was taken up by Gabon's first president, Leon Mba, and brought to reality under President Bongo. President Mitterrand said the railway would allow Gabon to exploit its vast forest and mineral wealth. ○

EUROPEAN COMMUNITY

Thorn's programme speech to Parliament

"Our top priority is the fight against unemployment"

If the European Community did not exploit its potential in the fight against unemployment and industrial decline, it would fail the acid test, said Commission President Gaston Thorn in Strasbourg during his annual programme speech to the European Parliament. The political context and the seriousness of the economic situation caused Mr Thorn to break with tradition in his address. Instead of reviewing developments in 1982 he concentrated on unemployment, the Community's top priority for 1983.

He suggested to Parliament—and the other institutions—that the Community should take full advantage of

the European dimension and common disciplines to promote a revival of productive investment. This was the only way to halt unemployment and get industry moving again without fuelling inflation.

This strategy had become a necessity, because 270 million Europeans were looking to the Community for more constructive action. They found it hard to understand why the institutions had become so absorbed in budgetary quarrels.

"The battle against unemployment and industrial decline is a battle for the future of our nations and the future of the European idea," said Mr Thorn.

An acid test

The Community had been particularly hard hit by world recession, he said. "Our performance to date is disappointing, especially when compared with that of the United States or Japan. Europe's economic growth is lower and the Community seems incapable of creating new jobs. Only in Europe is unemployment rising for the eleventh year running."

"The pattern of the Community's external trade in manufactured goods shows just how far Europe is lagging behind the Americans and the Japanese in some of tomorrow's industries."

There was no simple explanation for the Community's economic plight. "But there is every reason to believe that we are not taking full advantage of the scope offered by the European dimension and Community solidarity, despite the fact that this is one of the keys to success. The Community can still hope to succeed where individual member states are bound to fail. The Community provides the scale, the coherence and the security which are essential for the revival of investment."

Mr Thorn went on to say that the battle against unemployment and industrial decline would be the acid test of the Ten's ability to exploit and develop the Community which was their creation.

Five priority areas

The economic and social environment would have to be made more conducive to investment. In this context there was a need for greater convergence between national economic strategies. "I am pleased to see that the possibility of more active support for economic activity, albeit in different forms in different countries, is gradually becoming a central theme of the economic debate", said Mr Thorn.

More vocational training and more aids to employment, particularly youth employment, were needed. Unemployment was not only a waste of economic resources; it was a social problem. How could we come to terms with a society which denied people, especially young people, the dignity of earning their living, asked Mr Thorn.

A better economic and social environment presupposed a shift in public spending towards productive in-

vestment, and greater monetary stability. Monetary stability could be achieved by consolidating the European monetary system (EMS), securing full participation by sterling in the system, and integrating Europe's capital markets.

Completion of the internal market

A fully unified internal market would be a decisive factor in rebuilding Europe's industrial strength. Because national barriers persisted many firms preferred to cooperate with non-Community groups, despite the fact that they were relegated to a subordinate role, Mr Thorn said. If the vicious circle was to be broken businessmen needed to be convinced that completion of the internal market was imminent. This would herald a new phase of cooperation between European firms and the emergence of viable European groupings.

Rebuilding Europe's industrial strength

Europe's industrial strength could be rebuilt if the internal market were backed by a Community-wide industrial strategy. This would involve:

- breaking new ground and developing strong points (the motor industry...)
- reorganizing basic industries (steel industry, textile industry...)
- securing energy independence.



Gaston Thorn speaking to the European Parliament

Social fund and regional fund

Mr Thorn called for an overhaul of the Community's financial instruments and close coordination between Community and national spending programmes, so that programmes and objectives which fitted into a Community approach could get priority support.

The Commission would double real expenditure on innovation, research and development in the next five years. It would also double real expenditure from the social and regional funds over the same period. EAGGF-financed programmes for Mediterranean regions would receive a similar boost and the Commission would devise a Community development programme for transport infrastructure. Expenditure in the energy sector would concentrate on the rational use of energy, demonstration projects and investment in coal.

He continued: "The Commission considers that these resources are essential to the priority objective it is proposing. It will therefore refuse to engage in this action if it is not supplied with sufficient funds. It will not even pretend to have a policy if it is not given the money to pay for it. In this situation, the Commission would prefer to withdraw its proposals and lay the blame fairly and squarely at the door of those responsible."

The Community should not confine itself to trade issues. It should make itself felt on the international financial and monetary scene, where it could work to restore monetary stability and a secure climate, avert the serious mishaps (or worse) which could be provoked by foreign bank debt, and prevent the recession biting deeper in developing countries.

Removing the budgetary and institutional constraints

Before the Community could play its full role it would have to rid itself of two constraints. It needed the funds to put its policies into action and it needed to improve its decision-making machinery.

The current limit on own resources was tying the Community's hands, said Mr Thorn. "I can think of no instance from the past of an institution being encouraged to develop and yet arbitrarily deprived of the means to act."

Even if the Community could achieve savings thanks to tighter management of existing policies, new 'own resources' would be essential "to bring Community intervention to the critical level at which it will have a real impact and provide the stimulus and guidance we expect of it".

The Commission had put forward a number of ideas for new own resources in a paper designed to stimulate public debate. It would adopt its formal proposals, in the light of the Parliament's reactions, before the end of June.

It was only by acting on two fronts—resources and expenditure—that the Community could hope to solve the problem of budget imbalance. Mr Thorn then urged the Community to speed up decision-making.

It was time to shelve the "Luxembourg compromise". It had proved to be a growing obstacle to progress in the Community of Ten and would completely paralyse a Community of Twelve.

June deadline

Summing up, Mr Thorn said: "What I have proposed does not lack ambition. Its implementation would constitute a qualitative advance within the Community and augur well for successful completion of the final stages of European integration".

He saw June as the deadline for decisions launching a Community programme to fight unemployment and industrial decline.

"The Community needs a clear signal", he said, and continued: "The European Council in June can take note of our successes and perhaps deal with some obstacles. But, more importantly, it can give the political impetus that will ensure rapid development of new policies, set budgetary discussions in a new context, and help to overcome institutional diffidence." ○

COMMON FISHERIES POLICY

Agreement reached

The Council has adopted a series of regulations implementing a new

common fisheries policy. This policy is the result of several years of negotiations. Agreement was finally reached by clarifying in certain respects the set of measures worked out in the discussions last autumn thanks to the combined efforts of the presidency of the Council and the Commission in order to make it possible for Denmark to join the other member states in accepting the policy. The essential features of this new policy are as follows:

Community system for the conservation and management of fishery resources

This regulation establishes a Community system for the conservation and management of fishery resources by guaranteeing balanced fishing. The system provides in particular for measures to restrict fishing activities, rules for using resources, special provisions for coastal fishing and control measures.

These provisions take particular account of the new fishing conditions obtaining following the introduction of 200 nautical mile fishing zones.

The member states have accordingly agreed to maintain until 31 December 1992 the access derogation arrangements defined in the 1972 Act of Accession and to generally extend to 12 nautical miles the 6 nautical mile limit provided for in that act while taking account of the rights of other member states defined in the regulation.

If the Council does not decide otherwise, these arrangements will continue to apply for a further 10-year period. Moreover, in one specific fishing zone around the Shetland Islands, the regulation provides for the introduction of a system of licenses to govern the fishing activity of vessels of more than 26 metres in length between perpendiculars.

In order to exploit scientific and technical data making it possible to assess the situation of marine biological resources, and the conditions necessary to ensure the conservation of stocks, the regulation provides for the setting up at the Commission of an advisory scientific and technical committee and a management committee to ensure close co-operation between the member states and the Commission.

Supervising catches

The Council adopted a regulation fixing a total allowable catch (TAC) per stock and group of stocks, the share of these catches available to the Community and the allocation of this share between the member states (quotas), taking account of the commitments entered into with non-member countries. This allocation of available resources between the member states takes special account of traditional fishing activities, the specific needs of regions which are especially dependent on fishing and related industries and the loss of fishing opportunities in the waters of non-member countries.

The regulation further lays down provisions for by-catches of certain species.

Technical conservation measures

The Council adopted a regulation defining certain technical conservation measures with particular reference to mesh sizes, levels of by-catches, minimum fish sizes and the restrictions affecting fishing activities in certain zones or periods, and with certain fishing gear.

External aspects

The Council also adopted the regulations laying down certain interim measures for the conservation and management of fishery resources applicable to vessels flying the flags of Norway, Sweden and the Faroe Islands. These interim measures will apply until 30 April 1983.

The Council requested the Commission to continue its negotiations with Mauritania and Spain with a view to reaching an agreement as soon as possible, and agreed in principle to the signing of the framework agreement with Finland.

Finally, after hearing a Commission statement on the progress of negotiations between the Community and certain third countries in the Caribbean, the Council requested the Commission to follow up its contacts in that region. ○

Next European elections

The second direct elections to the European Parliament will be held from 17 to 20 May 1984. Again there will be no uniform voting system.

EUROBAROMETER

New survey

What was the mood of Europeans as 1982 drew to a close? How did they view European unification and Community membership? What change had there been in Spanish and Portuguese attitudes as accession came nearer? These were the three main areas examined by the 18th Eurobarometer survey, conducted last October.

Replies to the standard question on the unification of Western Europe show that there is still a rather vague consensus in favour of Europe: an average of 70% "for" and 14% "against", with a majority "for" in all 10 countries, including Denmark (40% "for" and 37% "against") and the United Kingdom (61% "for" and 21% "against"). However, it should be noted that this "emotional" consensus has declined almost everywhere since 1973, particularly in Germany. Ten years ago the Germans were far more ardent supporters of unification than the French; the opposite is true today. Nevertheless, in both these countries, seven or eight in 10 expressed broad support — no more, no less — for efforts being made to unify Western Europe. The *Courier* will come back to this in its next issue. ◊

WORLD HUNGER

Survival campaign 1983

After similar events in Paris and Rome, the campaign "Survival 83" was launched in Brussels on 25 January. Its aim is to save 3 million human lives this year. The campaign is led by the European MP Marco Pannella, who has highlighted the plight of the world's hungry by going on hunger strike himself.

It was in June 1981 that the manifesto of the Nobel prize winners called for international action to combat hunger and since then the campaign has gathered momentum in many European capitals. The main objective is to set up a plan of action the aim of which is to reduce mortality rates through action which would halt the growth of malnutrition, and the decline of health conditions, in the most badly affected areas. The emergency programme would attack



Marco Pannella

the basic causes of these problems and in particular try to promote self-sufficiency, especially in food supplies. A network of services would be created involving training and education and the multiplication of small basic infrastructure which is easy to work. ◊

LEBANON

Commission proposal for special aid to Lebanon: ECU 20 million for the water supply network in Beirut

Since Lebanon was invaded in June 1982, the European Community has expressed on a number of occasions—notably in the conclusions of the European Councils of 28-29 June and 3-4 December 1982—its intention to contribute to the reconstruction of the country.

Projects which could be carried out speedily and whose urgency has been stressed by the Lebanese authorities include the rehabilitation of Beirut's drinking water supply. A further advantage of this project is that it lies in an area where it would be of benefit to all, regardless of their religion.

The Community's contribution would be ECU 20 million and would cover the cost of a plant, equipment and works package. It would be matched by a Lebanese contribution of around ECU 15 million.

This special aid would be additional to the financing available to Lebanon under the financial protocol to the cooperation agreement or under the exceptional loan of ECU 50 million from the European Investment Bank.

It is also additional to the various instalments of emergency aid for humanitarian purposes provided under previous decisions (emergency aid amounting to ECU 10 000 000 and emergency food aid amounting to ECU 8 638 000). ◊

EMERGENCY FOOD AID

The Commission recently decided on the following emergency food aid operations:

Mauritania

5 000 tonnes of cereals — value: ECU 1 000 000

The aid is in response to Mauritania's appeal to the international community for help in dealing with a very grave food situation. The 1982 harvest was badly affected by drought and attacks by destructive insects and birds, resulting in the loss of 50% of production.

Ecuador

5 000 tonnes of cereals — value: ECU 1 000 000

The aid is for the victims of the severe floods which recently caused very considerable damage to the country's food crops. An initial instalment of emergency aid worth ECU 100 000 was made available on 12 January to "Deutsche Weltungerhilfe", which had set up a first aid programme.

Ghana, Togo and Benin

The Commission has decided to provide 5 000 tonnes of cereals as emergency food aid for the people expelled from Nigeria and sent back to Ghana, Togo and Benin. The aid, which is worth one million ECU, will be placed at the disposal of the WFP (World Food Programme), which already has representative on the spot and will see that the aid goes where it is needed in the three countries concerned. ◊

COMOROS

The President of the Comoros holds discussions at the European Commission

The President of the Comoros, Mr Abdallah, on a visit to the European

Consultative Assembly

We have received a letter from Christopher Jackson MEP, a member of the European Democratic Group of the European Parliament concerning the *Courier's* report on the Consultative Assembly meeting in Rome in issue no. 77. The main part of Mr Jackson's letter is printed below:

"The European Democratic Group has always unreservedly condemned the policies of apartheid in South Africa. We would like to see this situation changed, but in a peaceful manner that can accommodate the aspirations of all elements of South African society.

"We have felt, however, that it is not constructive to support measures that would bring about violent change and install a new regime at any cost.

"We have opposed the imposition of sanctions because, as I said in Parliament, they would be ineffective and dangerous tools in this instance. It would be impossible to ensure that they were widely respected. They would cause further deterioration in the economies of neighbouring African states and be detrimental for the black population in South Africa itself.

"To say as Mr Owoye did that 'little did the ACP group know that... the European Democratic Group... was preparing a series of amendments to drop all paragraphs related to sanctions...' is simply naive. Not only did we not hide this fact—we actively canvassed support for this from our ACP colleagues!

"To say that the EDG were isolated on *all* the issues is just not true. Two EDG amendments, the first drawing attention to human rights in all African countries and the second seeking to encourage groups in Southern Africa who were striving for *peaceful* change, were adopted by the *European side as a whole*. Many MEPs also supported us on our other amendments. It is noteworthy that the European Parliament this week voted in a sense similar to the EDG view." ○

10.2.1983



President Abdallah and Commissioner Pisani signing the financing convention

Commission, signed a financing convention for ECU 10 900 000, in connection with a regional aid programme for air navigation in the Indian Ocean (the scheme also concerns Madagascar, Mauritius, the Seychelles, Kenya, Somalia and Tanzania). During his talks with Mr Pisani, Mr Abdullah made special reference to certain projects for the development of port infrastructure in the Comoros (a feasibility study is underway for two ports at Moroni and Fomboni) and certain problems of an essentially administrative nature posed by the Stabex system (to which the Comoros have recourse for vanilla, copra, cloves, and ylang-ylang). The indicative programme for the Comoros under the second Lomé Convention is about ECU 13 million, of which 60% is to be used for schemes to reduce the country's isolation and 18% for agricultural development. ○

THE FUTURE FINANCING OF THE EEC

The Commission has now presented to the budgetary authority a series of options, the green paper, which sets out several possibilities for the future financing of the Community.

The current own resources system, consisting of agricultural and sugar levies, customs duties and an element of value added tax (VAT) of up to 1% of a uniform base, has served the Community well for 12 years. But the time has now come to consider its further development. The green paper is designed to be a discussion document outlining the Commission's reflections on a number of options which seem suitable

for further study. It does not, deliberately, contain specific proposals. The Commission will make proposals in the spring of 1983 in the light of further internal consideration of the issues involved and of the reactions of the Council and of the Parliament. The proposals the Commission will eventually make for the future financing of the Community will be designed *inter alia* to:

- provide the Community with the resources and the financial flexibility to respond to the increasing budgetary demands of its policies;
- develop the finances of the Community in such a way as to stimulate the further development of these and new policies. ○

And briefly ...

Directors meet

The heads of the various development administrations in the member states of the EEC held a coordination meeting in Brussels in February with Commissioner Pisani. Dieter Frisch, the director-general for development represented DG VIII in the Commission.

ACP presidency

The President of the ACP Council of Ministers from 1 February to 31 July 1983 is the Minister of Foreign Affairs and Tourism of Fiji, Moses Qionibaravi. ○

French Polynesia

The Commission has provided emergency aid of ECU 50 000 for some 1 000 people of Marquises and Tuamotu in French Polynesia affected by a cyclone.

Texaf finally turned the corner in 1938, justifying the bold vision of its founders.

Since then Texaf and its offspring, Utexco, have gone from strength to strength, investing in new plant, expanding to increase capacity sixfold, and constantly improving product quality.

The birth of an independent Zaire did nothing to change the company's policy of expansion; job creation and output increased by 40 % between 1960 and 1974.

Today Utexco is one of the largest manufacturing concerns in the Republic of Zaire, providing a living for about 45 000 people in Kinshasa and, more indirectly, for a further

Zairean clothing industry using Utexco fabrics and employing about 1 000 skilled workers.

Utexco's place in the Zairean economy

The country's cotton textile manufacturers are located in Kinshasa (Utexco, with about 55 % of total output), Lubumbashi (Amato and Solbena: about 18 %), Kisangani (Sotexki: about 15 %) and Kalemia (Filtisaf: about 12 %).

All these companies are producing the same sort of goods, and given their location the markets tend to be regional. Utexco's main impact is in the west of the country, but it is also the only one with a truly nationwide market, because of its sheer size.

The product range

Among Utexco's products are the unbleached cotton goods for printing, fluor sacks, cloth for the uniforms of the Zairean armed forces, cotton twill and denim jeans, mattress ticking, nappies, canvas for footwear, lint and bandages, cotton wool, yarn and terry fabrics.

The plant

The Utexco mills are in the city of Kinshasa; the company's 144 000 m² of buildings stand in its 50 hectare grounds on the Zaire river.

The spinning mills have 70 000 spindles plus 3 000 twisting heads, and run three shifts; there are 1 356 looms with a capacity of about 60 million m², also on three shifts, and eight circular knitting machines. The company processes 10 000 tonnes of cotton in a normal year, and employs about 5 000 people. On the managerial side 28 of the staff are Zaireans, two of them at executive level, as are 289 supervisors. There are 55 expatriate staff.

Utexco also has its own foundry and workshops, and so far plant has been adequately maintained, but now more modern equipment is needed, to boost productivity and turn out higher quality parts; sophisticated highly-automated textile machinery, which is designed to cut labour costs in industrialized countries, has a high rate of obsolescence, and it becomes increasingly difficult to get hold of the spares which cannot

be cast or manufactured on the spot.

In recent years Utexco has also been producing high-quality spare parts for other textile manufacturers in Zaire and the Congo, cutting down on the need to import.

The printing of the cloth is done by another member of the Utexco group, Zaireprint, which since 1967 has been the largest firm of printers in the country.

From 1961, when it was producing 40 million m² of cloth, to 1975, when it turned out 50 million m², Utexco steadily increased its output. Subsequently production dwindled, falling to 33 million m² in 1980/81.

However, Utexco has managed to keep going despite the gloomy economic climate both internationally and on the domestic front, and is now expanding again, trying to strengthen its position locally and nationally by moving up-market, increasing its range of quality goods aimed at better-off women who, until now, have been buying the expensive Dutch batik known as "wax". o



Zairean women are attaching greater importance to the quality of their clothes and hairstyles. Photo: Ekila Liyonda in her office...

150 000 people in the interior of the country, where it procures cotton, rice and cassava.

It also makes an indirect contribution to the development and modernization of the Zairean economy providing basic consumer goods at reasonable prices, helping keep down the country's import bill; whereas finished goods formerly had to be bought abroad and paid for in foreign currency, there is now a flourishing



Elegance has developed refinements brought about by the search for an "authentic" style which would permit Zairean women "to be what they are rather than what others want them to be"

Cooperation between the EEC and Zaire

Anyone who observes developments in Zaire at all closely is struck by the parallelism between its domestic economic situation and the state of the world economy. Zaire derives more than 20 % of its gross domestic product (monetized sector) from its mining activities and the mining sector, which is entirely geared to the outside world, accounts for over 75 % of the country's exports. The earnings from exports of mining products account for almost a quarter of Zaire's annual income.

These few figures illustrate the place which the mining sector occupies in Zaire's economy, and consequently the importance of international relations for the life of the country. Like any mining country, Zaire is at the mercy of the international economic situation and its economy has been suffering the effects of the world recession for nine years now; the drop in prices has put its mines in a difficult situation and, adversely affecting the currency inflows and tax revenue, has been undermining the country's vital balances. This shows how important the country's external relations are to the Zairian authorities, and how much importance they attach to cooperation in all its various forms.

The European Community occupies a central place in Zaire's complex network of trade and all sorts of relations with foreign powers. On average almost three-quarters of Zaire's exports and two-thirds of its imports are involved in trade with the Community. In the sphere of official development assistance, the Community, namely the Community institutions and the member states, contributed 62 % of total expenditure in 1981. The Community, with its 10 member states, has assumed the role of Zaire's main foreign partner and has a particularly close relationship with Zaire on the international scene.

The links between the European Community and Zaire began to take

shape before independence and Zaire chose to be part of the first generation of African countries to acquire associate status with the European Community. Under the first three European Development Funds, it received Community aid in the form of financial and technical cooperation totaling 182m EUA. Although the EDF's operations in Zaire got off the ground slowly, since the amount allocated under the first EDF amounted to 18m EUA, i.e. about 3 % of the total fund, they progressed quickly under the first Yaoundé Convention. Under this Convention, Zaire received EDF aid amounting to 78m EUA, i.e. over 10 % of the total budget of the second EDF. With a total of 86m EUA under the second EDF, its share of Community aid remained at around 10 %.

During this initial phase, the Community concentrated its aid on economic infrastructure, and in particular roads and the Inga hydro-electric power plant. Some 55 % of the Community's financial aid went to economic infrastructure, as against 25 %



A Cederim maize field—without fertilizer—at Mureka, financed by the EDF as part of the new impetus being given to agriculture

for social projects and 20 % for agriculture.

This distribution of Community aid was not peculiar to Zaire and the same pattern was to be seen in many AASM countries (Associated African States and Madagascar). Those countries suffered at that time from a serious lack of basic equipment in the economic and social spheres and international aid had to be mobilized in order to help the newly independent countries to acquire the necessary infrastructure. It should be noted that EDF aid over the period covered by the first three funds touched upon all the provinces of Zaire in one way or another and that, alongside projects which were limited in scope but provided the required back-up for local or centralized operations, funds were channelled into a much more extensive project affecting Zaire's long-term economic future — the Inga dam.

The first Lomé Convention marked the beginning of cooperation extended to the ACP groups of countries. By the end of the first indicative programme of Community aid, Zaire had received 96.5m EUA under the heading of financial and technical cooperation. The allocation of these funds greatly helped rural development through agro-industrial projects involving palm oil, cocoa and tea and also projects aimed at extending the area under market garden crops, the integrated rural development of the Mweka area and boosting the cotton sector. In each case it was a question of providing back-up, at the Zairian authorities' request, for operations designed to help promote agriculture, this being the government's prime objective.

In all, over 46 % of the funds under the indicative programme were channelled into the rural sector. In second place came economic and social infrastructure, which absorbed 25 % of the available funds, roughly the same proportion as training and education. The remainder was used to finance studies and technical assistance. Worth noting is the major share of the indicative programme earmarked for training; the Community gave its full support to a policy of developing human resources with training as one of the main requirements.

EDF operations in Zaire

1st EDF (1958-1963)

Total expenditure ECU 18 million (1) divided as follows:

Lwana-Mussenge road	3.9 m
School of law and administration	2.7 m
Kwango-Kenge road	2.3 m
Kinshasa province agriculture	1.7 m
Mwene Ditu-Mbuji Mayi road	1.6 m
Anti-corrosion work at Kananga	1.0 m

2nd EDF (1963-1968)

Total expenditure ECU 78 million divided as follows:

School construction and equipment	10.3 m
Mwene Ditu-Mbuji Mayi road	7.0 m
Rehabilitation of agriculture in Ubangi	7.2 m
Tea growing in Kivu	4.7 m
Agricultural rehabilitation in E. Kasai	3.7 m
Shaba agricultural rehabilitation	2.4 m
Social science faculty (building)	1.8 m
Lubilash and Liulu bridges	2.0 m
Purchase of two dredgers	4.2 m
Inga hydroelectric project	10.3 m
Special loan (Inga project)	9.0 m
Scholarships	3.8 m

3rd EDF (1969-1975)

Total expenditure ECU 86 million divided as follows:

Kenge-Kikwit road	31.0 m
Kinshasa water supply	5.8 m
Tea growing in Kivu	5.5
Architectural school	1.1 m
Scholarships	5.4 m
Extension of Kasai agriculture project	1.8 m
Cotton growing rehabilitation	5.0 m
Penetungu-Lubutu road	14.0 m
Gosuma vegetable oil plant	1.8 m
Goma hospital	7.7 m

4th EDF (1975-1980)

Total expenditure ECU 96.5 million divided as follows:

Transport infrastructure	19.5 m
— Musenga-Biruwe road	19.0 m
— Akula-Gemena road study	0.5 m
Rural development	44.0 m
— Palm oil plant extension (Palmeza)	13.0 m
— Special loan for oil plant	1.2 m
— Cacaoza cocoa plant installations	3.0 m
— Cacaoza special loan	2.0 m
— Mwaka rural development zone	13.0 m
— Baraka fishing project	0.5 m
— Cotton growing rehabilitation	2.8 m
— Extension of market gardening at Kinoisé	4.9 m
Education and training	24.8 m
— ISTA buildings and equipment	7.6 m
— Teacher training	9.2 m
— Multiannual training programme	6.0 m
— INPP project	1.5 m
— CPCZ construction	0.5 m
Social infrastructure	5.0 m
— Special loan for Kinshasa drinking water	4.9 m
— Water supply study (Kinshasa)	0.1 m
Technical assistance and studies	2.7 m

5th EDF (1980-1985)

Total indicative programme ECU 100-112 million divided as follows:

Infrastructure and communications	40 %
Agricultural and rural development	30 %
Training	6 %
Energy	5 %
Social infrastructure	5 %
Studies, technical assistance, trade and industrial promotion	8 %
Various and reserve	6 %

(1) The first three EDFs were expressed in "EUA" now superseded by ECU (European currency units).

The indicative programme for the period covered by Lomé II allocates an amount of between ECU 100m and 112m to Zaire which makes it third on the list of ACP countries as regard programmed aid. In the allocation of funds by objective, priority is given to communications, which are to absorb 40 % of the available funds. The second priority is rural development, with 30 % of the indicative programme. Under Lomé II, as under Lomé I, these two areas account for some 70 % of the funds available for programmed aid, but in inverse order. These choices reflect those made by the government, since, along with the mining sector, these two spheres are at the top of the list of sectors in the public investment programme.

Further amounts are earmarked under the Lomé II indicative programme, namely 5 % for energy, 6 % for training, 5 % for social infrastructure, 8 % for studies, technical assistance, trade and industrial promo-



Sorghum also grows very well without fertilizer at Mwaka. Zaire has considerable agricultural potential, but technology and training are needed

tion; the remaining 6 % is set aside as a reserve.

Since 1974 and the fall in copper prices, Zaire's economy has been suffering a crisis, which is gradually affecting all sectors of the economy and all categories of the population. With the instruments at its disposal the Community is endeavouring to attenuate the effects of this crisis and, where possible, to help overcome it. In addition to providing funds as part of financial and technical cooperation, the Community supports certain operations with which it wishes to show its solidarity, for example, emergencies, when the Community's exceptional aid enables help to be given to firms or people in difficulties. Since 1976, such aid has been granted in order to help firms whose supplies were cut off by the closure of the Lobito railway, to Zairean refugees to help them settle, to Ugandan refugees in Haut Zaire, and victims of epidemic. This aid totals ECU 22m.

The Community also gives Zaire aid over and above that provided for under the Lomé Convention. Under the Special Action Programme established following the Conference on International Economic Cooperation, it granted Zaire's highway authority (*Office des Routes*) ECU 15.5m for road maintenance. It also regularly provides Zaire with food supplies as part of its food aid programme. The total amount of such aid granted since 1976 may be put at ECU 36m. Lastly, the Community encourages the work of NGOs in Zaire, and over ECU 3m has been disbursed for projects carried out by a large number of NGOs.

In this survey of the various forms of Community aid to Zaire, mention must be made of the EIB and funds available for regional cooperation. From its own resources, the EIB has from over two years granted loans amounting to ECU 34m; it has also granted Zaire ECU 11.3m in risk capital. With regard to regional cooperation, Zaire is particularly interested in two types of regional-based action: improvement of communications to open up the western regions (for instance, development of the port of Kalemie), and regional exploitation of energy sources (building of the Ruzizi II dam and exploitation of methane gas at Lake Kivu).

The above survey sets out the broad lines of past cooperation, in financial terms, between Zaire and the EEC. The history of this cooperation is that of progressive adjustment of Community operations to the increasingly diversified requirements which have emerged since independence. The Community has endeavoured to be involved in most of the areas which are crucial to Zaire and the very recent contribution — ECU 40m — under Sysmin is the latest illustration of the Community's wish to provide effective aid where it proves necessary.

In a country the size of Zaire, the requirements inherent in building up the country are measured in terms of integration and development.

The Zairean government has always given priority to achieving better integration with a view to unification and maintaining peace. In economic terms, this policy of integration is reflected largely in the wish to improve all means of communication

between the various regions of the country and at the same time in the pursuit of a policy of encouraging basic self-sufficiency in the regions while at the same time promoting the types of production to which each region is best suited. This dual approach has been incorporated by the Community into the elaboration and administration of its policy of cooperation with Zaire, and in evidence many examples of operations financed by the EDF can be cited. In the future, although support for these integration efforts should continue, such operations should not be conducted at random. Community operations should not only form part



The EEC Commission's office has a fresco by Mayemba, a Zairean artist, symbolizing ACP-EEC cooperation. Commission delegate E. Pörschmann is pictured with the delegation staff

of a coherent framework but should also complement one another in order to achieve maximum efficiency. It is sufficient to point to the importance the Community attaches to inserting its integration operations into an overall plan which clearly defines its role in the execution of the plan and enables maximum benefit to be derived from the operations thanks to an integrated approach.

In addition to this problem of integration with which the country's authorities are often faced, amounting almost to a necessity, there are the essential requirements of develop-

ment. In this respect two aspects of the cooperation policy between the EEC and Zaire should be stressed.

Firstly, from the outset particular stress has always been placed on the training of people. Very substantial efforts have been made to provide the country with the equipment needed for training on the spot and also to train Zairean cadres abroad through the programme of study and training awards.

It is now time to bring the training schemes more closely into line with the requirements resulting from the economic policy followed by the Executive Council. The Community is prepared to make this effort in order to respond more effectively to present development requirements.

Secondly, the Community has noted Zaire's wish to give priority to agriculture and to pursue in all spheres a policy which will boost agriculture. It shares the Executive Council's views on the need to facilitate initiatives conducive to agricultural progress and to encourage any steps to help the rural environment. In the spirit which dominates its cooperation policy, the Community will do everything it can to assist the Zairean authorities in preparing for and acting upon the necessary decisions and strategies.

In the opinion of its leaders, the task of lifting Zaire out of the crisis and setting its economy on the road to recovery is both substantial and multifarious. With the means at its disposal and its resources in terms of people, capital and know-how, the Community is prepared to answer the appeal for a special effort and stringent measures recently issued by the Country's highest authorities. It is aware that, although it may not be decisive, its support can provide an example to other countries. Zaire, for its part, has fully realized that, for this task it is at present engaged in international aid of vital importance to it. By re-establishing the committee for the coordination of external resources it has provided itself with the means of deriving greater benefit from the aid it receives from abroad. It may consequently be expected that international development aid to Zaire will prove more effective. ◊

Jean-Löïc BAUDET
EEC Commission

Women in Zaire

"In African societies, domestic tasks are no dishonour ... Women are proud to cater for the needs of the family and to keep the home going"

The functioning of traditional African societies was and still is based, to a very large extent, on women. As well as doing fundamental work in agriculture and education, they are a moderating influence and a factor of unification of different communities. But the sudden explosion of urban living and the incursion of non-African ways of life, outlook and social organization have wrought considerable change in the bases of the communities and, of course, in the part women play in them.

In Zaire, as elsewhere on the continent, the African woman has to have her dignity and her scope in a changing society, even if many aspects of the change are not, on the face of it, favourable to her.

Mrs Ekila Liyonda, secretary-general for women's affairs and a member of the central committee of the MPR (popular movement of the revolution), tells the *Courier* how she sees the role and the place of Zairean women in the economic and social life of the country. Ekila Liyonda holds a law degree from the Catholic University of Louvain (Belgium) and, before being appointed to women's affairs, she held important jobs with AZAP (Agence Zaire Presse) and as legal adviser to the office of the President.

► *What changes do Zairean women want most of all?*

— First of all they want full recognition of the rights the constitution provides for all the people of Zaire, men and women alike. The principle of equality laid down in article 12 of the constitution conflicts, in practice, with extant special legal provisions dating from the colonial era. Then they want to be more involved in the management of the public sector. And here I should point out that, since the second republic began, a considerable effort has been made to provide them with access to different sectors and different levels of national life. Women are now in jobs in a variety of government bodies and in the socio-economic sector too. The third thing they want, an essential claim this one, is the suppression of the prejudices, habits and customs that are still preventing them from playing a full part in the development process.

The secretariat-general for women's affairs was set up with the

precise aim of contributing to the socio-economic improvement and moral and intellectual productivity of the Zairean women.



Ekila Liyonda

"Women's work must be lightened so that they can develop their moral and intellectual capacities"

► *What useful results have you obtained so far in your drive to improve the status of women in Zaire?*

— It is worth remembering that the improvement of women's status has been one of the main concerns of the second republic from the very start and the secretariat-general for women's affairs is therefore one aspect of the continuation of that drive. At the moment, we have an action programme for women whereby a number of projects are being implemented. Some of them are aimed at lightening the daily burden, some at creating job-generating activities and others at providing training, education and information.

One of the most important results is that women have woken up to the part they can play in national development. This has had the happy consequence of encouraging women traders, farmers, market gardeners, artists, Protestants, Kimbanguists (1), etc. to form groups, which makes it easier for us to provide the back-up they need to develop and be fully integrated in the development process.

► *How do you see equality between men and women in Zaire?*

— We in Zaire think that equality has to be perceived, not in biological terms, but in terms of actual enjoyment of the same rights and the fulfilling of equal obligations in a partnership.

Differences and equality of the sexes in Zaire

In other words, there should be no discrimination in such things as access to education, employment and so on.

But we in Zaire admit that people are entitled to be different. Bearing in mind the physiological differences between the sexes and knowing that peace and harmony are vital to progress, we are continually saying that equality should not be systematic equality, but equality with differences, the only thing that will enable the Zairean woman to obtain her rights without upsetting the harmony

(1) A religious sect.



Ekila Liyonda visiting a Kinshasa market with Mrs Kirkpatrick, America's ambassador to the UN



A seminar on women's problems. "Women bring together beauty and dynamism in economic and social activities"

of the family or upsetting people's outlook.

► *Do you think housewives are in inferior situation compared to their menfolk?*

— It is important to stress that, in our African societies, the division of labour is such that the domestic duties are done by the women. They are not troubled by this, but feel rightfully proud of catering for the family's needs and ensuring its survival.

However, society has to make an effort to lighten the domestic burden, to give women more time for their moral and intellectual development.

So it is wrong to imagine that the domestic routine places women in an unequal situation as compared to their menfolk, as even women who work outside the home are willing to perform these tasks.

"Smiling revolutionary submission"

► *At the MPR congress, Presi-*

dent Mobutu declared that Zairean women had to have an attitude of "smiling revolutionary submission". What does that mean?

— As far as I am concerned, these words of the founder of the MPR, our President of the Republic, sum up what we feel about sexual equality.

As I stressed just now, the Zairean constitution lays down the principle of equality between men and women. So the fact that the Zairean mother is equal to the man, both legally and in fact, is by no means in contradiction with her situation as a wife and mother in a marital situation. As you know, every society has its chief and this goes for marriage, where the chief is the husband, too.

As a wife, the woman has duties to perform for her husband. But this does not prevent her from having her word to say in the running of the family, particularly when it comes to the children's education and the management of the household budget.

An action programme for women based on the UN plan

► *What does the secretariat-general for women's affairs do?*

— It has been invited to help achieve the fulfilment of Zairean women and to ensure their full integration in the national economic development process.

So it has set up an action programme, based on the UN world action plan for the women's decade, which contains priority targets, that are right for Zaire, in the field of political, legal, economic, social and cultural affairs.

Politically speaking, the secretariat-general is working along two lines to encourage the political awakening of women and to inform them about their rights and civic duties.

In the legal sector, our action involves doing away with all discrimination and obtaining actual implementation of the laws governing women's status.

The economic targets are to help generally with making women realize they have a productive capacity and enabling them to capitalize on it.

Socially, the secretariat-general collaborates with other departments—specialized ministries, that is—on schemes aimed at improving the living conditions of women as regards health, nutrition and so on.

And culturally speaking, finally, the accent is on the campaign to eradicate the prejudices and beliefs that prevent the fulfilment of women's moral and intellectual possibilities. ◊

Interview by L.P.

Facts and figures

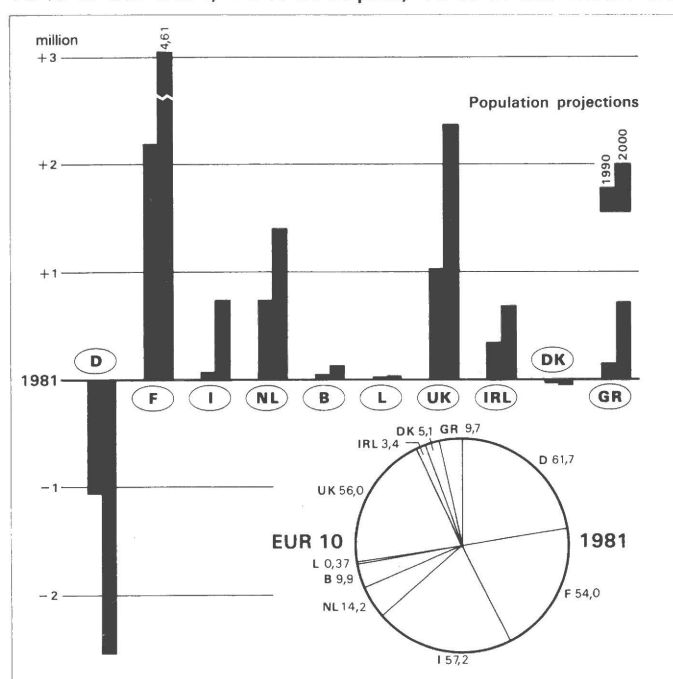
In this issue the *Courier* is starting a new section called "facts and figures" which will provide, every two months, statistics and a commentary on one or several areas of ACP-EEC relations. The figures will illustrate major trends within the EEC itself, and in the ACP states either individually or as a group. They will be provided by the SOEC—the Statistical Office of the European Communities—which is in Luxembourg.

In the following pages, the facts and figures cover population and European agriculture, ACP-EEC trade, and the training, with Community aid, of ACP statisticians.

The total population of the Community

In mid-1981 the population of EUR 10 amounted to 272 million people, a figure greater than that for the USSR or the USA. Taken with that of the applicant countries, Spain and Portugal, the total figure of 319 million was equivalent to 7 % of world population. The ACP (African, Caribbean and Pacific) countries had, in 1981, a total of 359 million inhabitants.

In the Federal Republic of Germany and in Denmark the birth rate is below the death rate while in a number of other member countries also, the birth rate scarcely exceeds the death rate. In consequence the overall rate of population growth in the Community is low by world standards. The latest available projections indicate a rise of 2.9 % in the population of the Community to the end of the century compared with expected increases of 13 % in the USA, 10 % in Japan, 16 % in the USSR and



Total population and projections

Country	Popula- tion 1981 (000)	Population projection (000)		Population change (%) 1981-2000
		1990	2000	
EUR 10	271 619	275 041	279 586	2.9
Spain	37 654	40 541	43 362	15.2
Port.	9 931	10 755	11 506	15.9
USSR	267 697	291 637	311 817	16.5
USA	229 805	243 513	260 378	13.3
Japan	117 645	122 769	128 901	9.6
World	4 508 000	5 273 000	6 196 000	37.4

37 % in the total world population. The share of the total world population within the Community (including Spain and Portugal) is expected to decline to 6.2 % in the year 1990 and to 5.4 % in the year 2000.

Agriculture: some facts

Agriculture plays a very important role in the European Community and in recent years some 70 % of the Community budget has been devoted to the support and reorganization of the agricultural economy.

In 1980, out of a working population of some 107 million, over 8.7 million people worked in agriculture, i.e., 8.2 %. This average figure covers big differences between countries. The United Kingdom (2.6 %) and Belgium (3 %) have a small population in agriculture whereas Greece (30.3 %), Ireland (19.2 %) and Italy (14.2 %) still count a very large agricultural population. This is true for the two countries which have applied for membership of the Community: Spain (18.9 %) and Portugal (28.5 %).

One indicator of the rôle of agriculture in any country's economy is the degree of self-sufficiency in different products, i.e., the relation between production and consumption. If this equals 100 it means that as much is

Self-sufficiency rates 1980-81

	EUR 10	D	F	I	NL	B/L	UK	IRL	DK	GR
1. All cereals	105	91	179	73	27	48	92(1)	79	100	124
2. Sugar	125	123	221	102	161	222	46(1)	101	187	74
3. Vegetables	99	34	98	115	199	108	79(1)	84	66	123
4. Fresh fruit	84	56	97	127	48	63	30(1)	19	44	162
5. Butter	114	124	120	63	270	85	49	266	214	70
6. Vegetable fats + oils	:	35	11	55	1	1	9(2)	—	2	:
7. Beef + veal	103 (2)	111	116	60	156	116	84(2)	482	372	57
8. Poultry meat	107 (2)	63	137	99	304	90	99(2)	94	236	101

— = nil.

: = no data available.

(1) = Eurostat estimate.

(2) = 1979-80.

produced as consumed. If it is less than 100 then more is consumed than produced; if the indicator is greater than 100 then more is produced than consumed.

The table on page 55 gives an indication of the self-sufficiency rates for different products in 1980-81.

Such figures can of course vary from year to year according to climatic conditions. Despite very large differences between countries, the figures show, however, that the ten-country Community is self-sufficient in most of the goods indicated except for fresh fruit and vegetable fats.

ACP-EEC trade

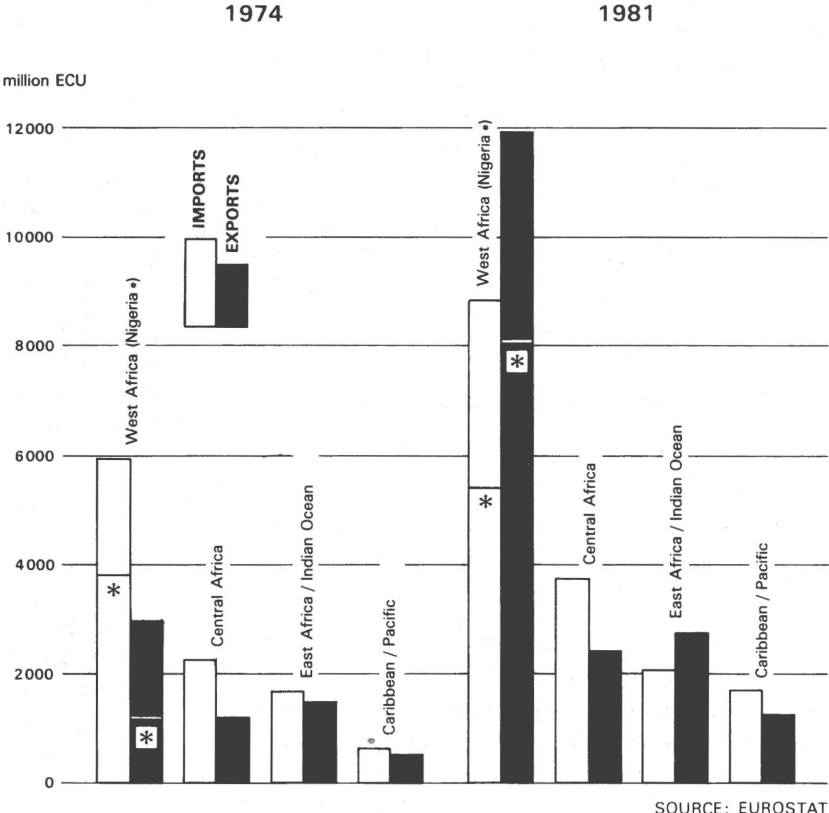
The ten countries of the Community imported a little over ECU 16 000 million worth of goods from the ACP countries in 1981. This is about 2.8 % of total Community imports, and 5.4 % of imports from outside the EEC. The Community generally runs a trade deficit with the ACP, 1978 and 1981 were the only years since 1970 when exports exceeded imports. As shown in the bar chart, West Africa was the Community's largest ACP supplier zone. This reflects the importance of the oil exported by Nigeria and Gabon, the largest and third largest ACP suppliers respectively. France, Germany and the Netherlands were the leading importers from West Africa, taking between them over three quarters of its exports to the Community. Central Africa, which contains the second largest ACP supplier, Zaire, has Belgium, Luxembourg and France as its leading EC customers. The United



Because of its large production of pork, Denmark provides most of the imports of other Community members

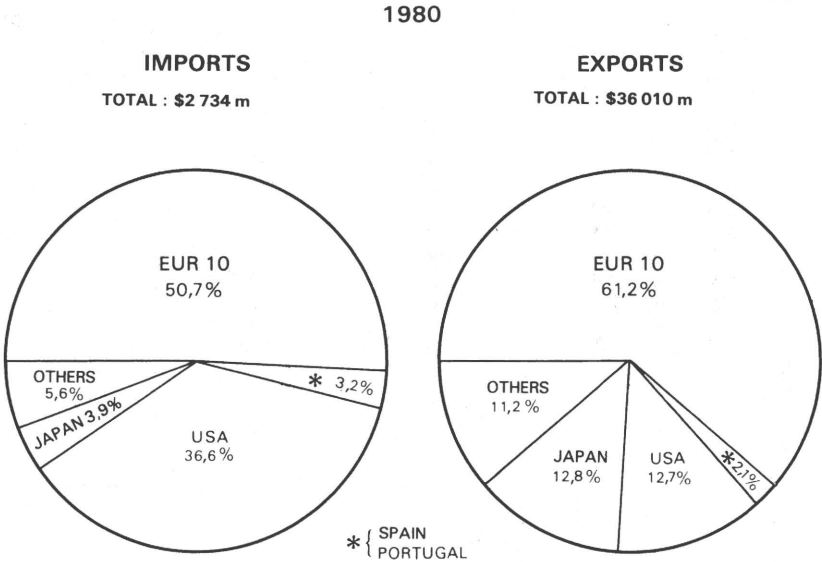
EEC-ACP trade

EEC exports to and imports from the ACP states
(by geographical zone)



(*) Nigerian share

Industrialized countries' exports to and imports from the ACP states
(by economic zone)



SOURCE : UN

Kingdom and Germany are the largest EC markets for the other ACP zones.

The pie charts show how the ACP's trade with industrialised countries is split. The ten countries of the Community accounted for just over half of the industrialised countries imports in 1980. The applicants to the EEC, Spain and Portugal, take a further 3 %. These proportions have hardly altered since 1975. On the

other hand, because of growing energy imports, the USA increased its share between 1975 and 1980 by 3 % to 36.6 %. The Community's share would rise to 65 % and the USA's would fall to 15 % if trade in energy products were excluded from the total.

The Community's share of industrialized countries' exports to the ACP rose from 53 % in 1975 to just over 61 % in 1980.

Training statisticians in Africa

For many developing countries, one of the major obstacles to setting-up a cohesive development policy is the lack of reliable data on their economic and social situation. Any development plan, be it at the macro- or micro-economic level, is very much dependent on the information available on the structure and trends of the country's economy if its progress is to be monitored and corrective measures taken. The person whose task it is to collect, collate, analyse and distribute that information is the statistician.

Developed countries understood long ago the importance of statistics for the running of economic and social affairs. Specialized schools, university faculties and institutes have been set up to provide training for the statistical staff of the future and for all those who will be responsible in the public and private sectors for collecting and analysing data.

African countries have gradually started along the same path, with help from the European Community—its member states and the Commission—and from the United Nations and its specialized agencies. Hence, little by little, a network of training centres has grown up in Africa, with branches in Europe for training that calls for very highly qualified teaching staff. The EEC countries and the Commission have played an important part in the establishment and operation of these centres. The Community's active participation in the field shows in the awards it provides for students, its coverage of fees and teachers' salaries, subsidies for operating costs as well as equipment for the establish-

ments and even the buildings themselves.

This short article looks at the way in which the African can become a statistician and the training courses open to him. The first difference to be noted in the training of top-rank African statisticians exists between English- and French-speaking countries. The systems have, of course, been inherited from the past in that training in statistics in the English-speaking countries is given, as in the United Kingdom, almost exclusively at universities, whereas most French-speaking statisticians have emerged from training centres modelled on the ENSAE (Ecole nationale de la Statistique et de l'Administration économique), which trains statisticians in France. There is no great difference between the training given under the two systems, except that in the French-speaking centres the emphasis is placed more on the vocational side, while the English-speaking system concentrates more on theory and teaching pure statistics.

The only real big difference lies in the accessibility of the training. Entry to virtually all the French-speaking centres is conditional upon success at an examination—where competition is fierce and selection criteria often very stiff—whereas entry to an English-speaking university, as to any university system, does not imply taking an examination but is governed by each particular establishments rules and regulations.

The list of statistical training centres—drawn up by the Economic Commission for Africa—contains for

each system a number of establishments of a regional character, currently operating in African countries or even in Europe but with a view to training statisticians for the developing countries.

The chief French-speaking centres are:

INSEA (Institut national de la Statistique et de l'Economie appliquée), set up in Rabat, Morocco, in 1961;

ENSEA (Ecole nationale de la Statistique et de l'économie appliquée), set up in Abidjan, Ivory Coast, in 1963;

ISPEA (Institut de statistique, planification et économie appliquée), set up in Yaoundé, Cameroon, in 1961;

IAMSEA (Institut africain et mauricien de statistique et économie appliquée) founded in Kigali, Rwanda, in 1976;

IFORD (Institut de formation et de recherche démographique), set up in 1972 in Yaoundé, Cameroon;

ITPEA (Institut des techniques de planification et d'économie appliquée) set up in Algiers, Algeria, in 1970;

and, lastly, outside Africa:

CESD (Centre européen de formation des Statisticiens économistes des pays en voie de développement), founded in Paris in 1962 (see inset).

The chief English-speaking centres are:

ISAE (Institute of statistics and applied economics) set up in 1969 at the University of Makerere, Uganda;

the Department of Statistics at the University of Ibadan, Nigeria, set up in 1978;

the Department of Statistics at the University of Gaborone, Botswana;

the Department of Statistics at the University of Lesotho;

ISSER (Institute of statistical, social and economic research), set up in 1961 at the University of Ghana in Legon;

ESTAC (Eastern african statistical Training Centre) set up in Dar es-Salaam, Tanzania in 1965 to train middle-rank staff.

All these centres (1) are of a regional character; that is, they are prepared to accept students from

(1) For further information on these institutes write to: Statistical Office of the European Communities, P.O. Box 1907, Luxembourg.

anywhere in Africa. Training is provided for all levels of statistician from middle rank (statistical officers and assistants among the French speakers and holders of certificates or diplomas among the English speakers, with the study courses lasting from one to three years as part of secondary education to top rank (civil engineers or statistical engineers and statistical economists among the French speakers and Bachelors of Statistics, Masters of Science and Doctors of Philosophy among the English speakers, with the study courses lasting from three to seven years following on from the baccalaureat, depending on the final diploma).

Where higher education is concerned, a candidate wishing to enter an English-speaking establishment has to fulfil the entry requirements for university, in other words be a holder of a certificate, often with merit. On the other hand, admission to the French-speaking centres is gained by sitting an examination held either by the centre itself or, as is the case with ENSEA, IAMSEA and IS-PEA, by the CESD in Paris, which means that recruitment of students in these centres is well balanced. The bodies responsible for the practical arrangements for the examinations in each country are the Departments of Statistics.

Certain countries, such as Benin, Senegal or Zaire, have recently set up statistical training cycles within their educational systems, to meet domestic demand for such staff independently.

That is the situation as far as basic training is concerned.

To back it up, there is a system of ongoing training, refresher courses and specialized courses. Universities or specialized centres, notably in Europe, run courses lasting from one to six months on particular subjects in order to enable African statisticians working at home in their administrations to keep up to date with the trend of statistical methods and to specialize in certain fields, such as national accounts, survey methods, agricultural statistics and so on. One of the largest of such centres is the Munich Centre for Advanced Training in Applied Statistics for Developing Countries, set up in 1973 by the Federal Republic of Germany in colla-

boration with the Commission of the European Communities and the CESD.

So there is a whole range of centres, universities and institutes from which Africans may choose to train as statisticians. As with all other scientific subjects, statistics is a very demanding area of study, but it does offer broad opportunities as regards career prospects. A recent CESD survey of its former pupils revealed that, of the 450 or so trained over a period of 20 years, a little more than half are working in national statistical offices, a third in other ministries or international organizations and the remainder in private firms or semi-public bodies. As regards their actual professional activities, over a third have management posts and a good dozen of them have been or still are ministers.

However, luckily, most of the trained statisticians are working to produce the statistics (collection and collation of data, surveys and censuses, statistical data processing) or on economic analysis (drawing up and composition of national accounts, forecasting and trend assessment, planning and other economic studies).

Statistics, particularly in Africa, is an area requiring many skills—good basic training, knowledge of the economic and social environment, a sense of organization, the ability to summarize, a feeling for figures and also a good measure of imagination, not to invent figures (as some people would have us believe!) but to create the prerequisites for working them out.

At a time when Africa, perhaps more so than other regions in the world, is looking for guidelines for the development policy to be followed between now and the end of the century, it will have to find ways of gaining better knowledge of its economic and social environment. The

Commission's recent memorandum on the Community's development policy shows only too clearly, in all spheres and particularly in that of food strategies, how important it is to be in possession of comprehensive and reliable information—and rapidly.

As Mr Pisani said recently, "the success of this new approach (the one adopted in the memorandum) is linked in particular to the availability of educated and skilled men and women capable of adapting to the situations in their countries and mastering the technique of producing and processing the data required to devise and manage such policies, in other words capable of developing the kind of statistics needed in these countries" (2). o

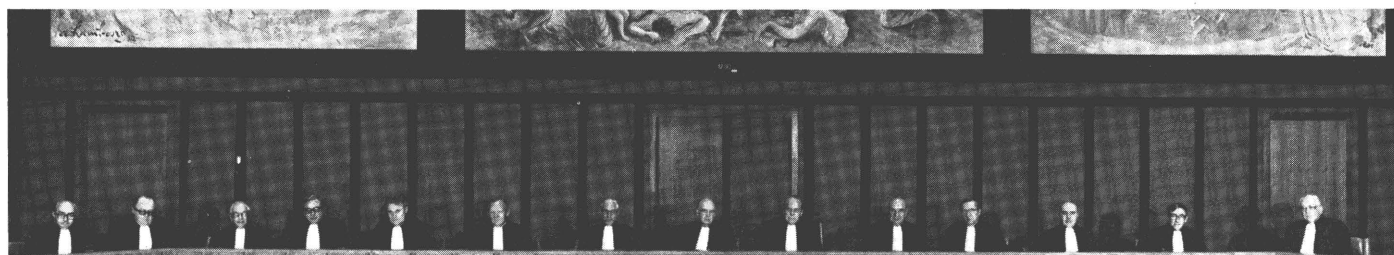
A. DE MICHELIS

Statistical Office of the European Communities - Luxembourg

(2) Foreword to the brochure "CESD: 20 ans au service du tiers monde" - November 1982.

Breakdown by year and country of statistics diplomas awarded by the CESD

	1974	1975	1976	1977	1978	1979	1980	1981	1982	Total
1) Lome countries										
Benin	—	—	—	2	1	—	2	6	1	12
Burundi	—	1	—	—	—	—	—	—	—	1
Kameroon	1	2	4	3	2	4	6	—	2	24
CAR	—	—	1	1	—	—	1	—	—	3
Chad	—	—	1	—	—	—	—	—	—	1
Congo	1	—	1	—	—	1	—	1	1	5
Gabon	—	—	—	—	—	—	—	—	1	1
Guinea	—	—	—	1	—	—	—	—	—	1
Ivory Coast	1	—	1	2	1	—	3	2	4	14
Mauritius	—	—	—	—	—	2	1	—	—	3
Madagascar	1	—	—	—	2	—	—	—	2	5
Mali	3	2	2	1	—	2	—	4	2	16
Mauritania	—	—	—	—	—	—	—	—	1	1
Niger	—	—	—	—	1	—	—	—	—	1
Senegal	1	2	1	1	1	4	2	3	4	19
Togo	—	2	—	—	—	—	—	—	1	3
Upper Volta	1	—	2	—	—	1	—	1	—	5
Total A	9	9	13	11	8	14	15	17	19	115
2) Other countries										
Algeria	—	—	—	2	—	—	2	1	2	7
Campuchea	1	1	4	1	—	—	1	—	—	8
France	—	—	2	—	—	—	—	—	—	2
Lebanon	—	—	—	—	—	1	—	—	—	1
Morocco	2	—	—	2	—	—	1	—	—	5
Mexico	—	—	—	—	—	—	—	—	—	0
Tunisia	—	—	4	7	2	—	1	2	1	17
Total B	3	1	10	12	2	1	5	3	3	40
Grand total	12	10	23	23	10	15	20	20	22	155



Safeguarding the EEC treaties

The European Court of Justice

An interview with Judge Pierre Pescatore

The European Community has a number of different bodies responsible for various aspects of Community activity but only four of them are officially described as institutions. These are the Council, the Commission, the Parliament and the Court of Justice. Probably the least well known outside the Community is the Court, since its role is primarily internal. But it is a crucial institution because, at the end of the day, it is the Court which interprets the meaning of the treaties on which the whole Community structure is built. Because an understanding of the role of the Court is central to an appreciation of how the Community as a whole functions, the *Courier* decided to ask one of its 11 judges, Judge Pierre Pescatore of Luxembourg, to explain what the Court does.

► *One of the unique aspects of the EEC, as an economic organization, is the existence of a Court of Justice. Why did the founding treaties set up the Court in the first place?*

— Historically speaking the idea was to create a court which would review the legality of acts of the institutions of the Community. At that time it was the High Authority of the Coal and Steel Community. But soon, that role was enlarged by the EEC treaty to give the Court complete legal control over the whole Community process. That meant reviewing not only the legality of the acts of the institutions, but also exerting control over implementation by member states of their duties under the treaties. It also meant overseeing the implementation of Community law in the member states, which has given

rise to a special legal remedy, the so-called "preliminary rulings" which play a prominent role in the Court's actions.

► *What is the relationship between the European Court and the national courts?*

— That has been established under the proceedings for preliminary rulings, which I must explain. Whenever before a national court a point of Community law arises, either a point of interpretation of Community law, or a question of the validity of any Community acts, this court may seek a preliminary ruling from the European Court. Even if it is a supreme court, it is obliged to refer that question to the European Court, which will rule by judgement on the point of law raised. This judgement will be binding on national courts. Thus the treaty has established very close cooperation between the Court of Justice and national judges in the administration of Community law in the member states.



Judge Pierre Pescatore

► *So in a sense it would be correct to say that the existence of the Court reduces the sovereignty of the various member states?*

— I wouldn't say that it reduces sovereignty. We must visualize all this within the framework of a large Community. What we administer are the common rules of the Community which are the heritage of all of us.

An open court

► *Who can use the Court?*

— The Court is wide open. It is open to member states, to the various organs of the Community itself, and also to private persons. In that respect we are distinct from the International Court of Justice at The Hague, which is accessible only to states. Our Court is open also to private persons, and one of its roles is to protect individual rights.

► *Are member states, the institutions, companies and individuals, all equal in their access to the Court or are they limited to various aspects of the treaties?*

— All parties who can come before the Court have the same standing before it and can defend their rights in the same way. As for individuals, there are two ways of gaining access to the court. Whenever an individual is aggrieved by some act, or a decision of the common institutions, for example a decision of the Commission in competition matters, he has direct access to this Court. But mostly individuals will come to the Court through the preliminary rulings procedure. Individuals generally bring cases in their own national courts and the national court will then turn to the Community Court for a ruling. In the course of such a case the private parties have the right to

Above the members of the Court in the Luxembourg court room

present written observations, and also to be heard in argument.

► *Could you explain how the court is composed and the role of the judges and advocates-general?*

— As for the judges, it is very obvious what their role is. There are eleven judges, one judge from each of the 10 member states, although they are not appointed by the member states. We are judges of the Community, not appointed by nationality, but it so happens that there is one judge for each member state. An eleventh judge has been appointed 'ad-hoc' by the Council to make an uneven number since judges must always sit in uneven numbers. He was formerly a Frenchman, and at the moment he is a German.

► *And what is the difference between the judges and the advocates-general?*

— The five advocates-general are members of the Court. Their role is to give an independent opinion on any case which comes before it, to lighten the Court. He has no vote in the Court itself. We used to explain his role to English-speaking people by saying that he is a sort of *amicus curiae*.

► *Is the procedure of the court based on any particular national procedure, or that of another international court?*

— Our procedure corresponds to a certain standard of national procedures, and even to international ones. It's an adversary procedure, in which the parties are equal. It's a procedure in which the parties must be fully heard, so we have complete respect for the parties right to a fair trial, and thus it corresponds to, I would say, the highest standards of national procedures.

The aims and purposes of the treaties

► *The treaties which the Court safeguards are now somewhat old. Has the role of the Court changed from being a strict interpretation of the treaty to one of expanding its competence by making judgements based on what is implied by the existence of the treaties?*

— Well there is no question of expanding the power of the judges.

You know that the fundamental preoccupation of a judge is to abide by the law, and respect the law. But the Court has always been very sensitive to the purposes of the treaties. We know that these treaties were created for certain purposes, to free the movement of goods, to establish free circulation for persons, and equal treatment for everyone in the Community. In the light of these aims and purposes, the Court has managed to keep the treaties flexible and forward looking. The treaties were also created to give a certain shape to western Europe, and the Court acts in that perspective too. We are not there to stick only to the letter of the treaties, we must always consider what the aims and purposes behind them were.

► *Both the President of the Commission, and the President of the Parliament have suggested that we might need another Messina-type conference, in order to write a new treaty. Does that appear to you personally to be a good idea?*

— Well if it could bring real progress. As far as our institution is concerned I don't really see what might be added to its existing powers, which have already reached a sort of optimum stage. But I realize that many things might be improved in the relationship between the Council and the Commission and in the powers of Parliament.

► *When the Court is dealing with a dispute between two member states, is it playing, in a sense, the role of a constitutional court, rather like the American Supreme Court?*

— In a sense, yes. Since we must visualize the treaties instituting the Communities as being the very constitution of the Communities. The Court has to see that the central rules and the balance of the treaties are respected, which means defining the relationship between member states and the Community. These are typical functions of a constitutional court. We see to it that the Commission, the Council and the Parliament play their proper roles as provided for in the treaties.

► *Is the Court able to cope with the work that's imposed on it, or will it in the near future be necessary to create tribunals, or additional courts to cope with it?*

— This is a very busy court and at the present time we are burdened to the very limits of our abilities. But so far we have been able to cope with our task and I hope that this will remain so in the future. There is no backlog at the present time. But we manage this only by going to the extreme limit of our combined forces.

"We administer a new sort of free trade law"

► *Turning to the issues which come before the Court, would it be correct to say that most of the issues which arise are concerned with the market, with the free movement of goods, and with competition?*

— Certainly the bulk of our cases are of a commercial and economic character. We administer a new sort of free trade law. But one should not forget other more human aspects of the Community. We have the principle of equality for workers; we have rules on social security at the Community level and we have, moreover, the whole problem of free movement of persons, and the right of establishment. There are many cases which come to us under these chapters of the treaty, and in them the more human interests of the citizens of the Communities are at stake rather than just Commission interests.

► *So your judgements do have an impact on the man in the street?*

— Definitely, I think it is to the credit mainly of this Court that we have enforced free movement of goods, a free-flow of trade in the Community, and the Court has also always endeavoured to ensure equal treatment for everyone, including male and female labour. This is one of the basic principles in our law.

► *Is there a problem in enforcing the decisions made by the court?*

— There are problems, but I would like to distinguish in that respect between enforcement against private persons and enforcement against member states. As for private persons it is very simple. Judgements of the Court are enforceable in all member states, just like national judgements. If the Commission imposes fines, for example, these fines will be and are in fact enforced. As for the member states themselves, the treaty does not provide for any mechanism of enforcement. This is a

weakness, but I cannot see how this gap could really be filled. Thus, for the enforcement of judgements which are sometimes rendered against member states, we depend on their voluntary implementation. So far, all judgements of the Court have been implemented. Sometimes member states may have done so grudgingly, sometimes some of them may have delayed, but if you look back, the authority of our judgements has always been accepted in the end by the member states, and this is for good reasons. The member states realize that if they flout the judgements of the Court, this would be the end of the Community. Nobody wants that. There is, moreover, one aspect which shouldn't be underrated. Whenever a member state disregards its obligations under the treaty, almost always private interests will be affected. We have already had many cases in which private persons have then brought cases before their own national courts, and finally it was through national courts that the judgements of the European Court were enforced.

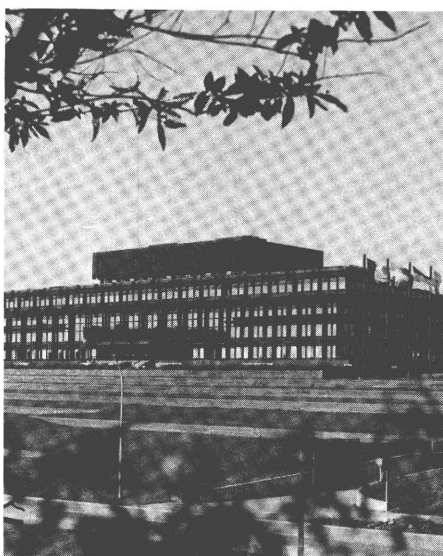
The Lomé Convention "is part of the rules which we apply"

► *As our readers are aware, the Community has a contractual relationship under the Lomé Convention with the ACP states. Does that contractual relationship figure in the Court's activities at all?*

— Surely, since agreements concluded by the Community are an integral part of the law of the Community. It may happen, and in fact it has happened in several instances, that this Convention has been cited before the Court, and we have already adjudicated on the basis of it. Thus, it is part of the rules which we apply.

► *Could you give an example of that?*

— For instance, there has been litigation about the free import of goods coming from the ACP countries into the Community, and the obstacles placed by one or other member state in the way of free importation. The importers have brought cases before the national courts, they have been referred to us, and we have enforced free trade in favour of the ACP countries.



The Court building in Luxembourg

► *So it wouldn't, in fact, be the ACP government that would be in a position to bring the case, but the importer of the goods?*

— Yes, or if the Commission brings a case alleging infringement by, say, a member state of the provisions of the Convention. But this has never happened. So far the cases have always been from national courts and brought by importers who felt aggrieved either by restrictive commercial measures imposed by individual member states, or by taxation which was inconsistent with the obligations flowing from the Lomé Convention. We also deal with another aspect which is of interest to developing countries. As you know there is a set of preferences for the developing countries. The Community has established these preferences by regulation, and in fact some litigation has come to this Court to determine their application. The Court has always asked what the purposes of these preferences were. And since they foster the free import of certain types of goods produced by developing countries, it has consistently taken a liberal attitude towards interpretation. Just to mention the last case we had, which was about mungo beans, it turned out that in botanical terms this might have several meanings. We decided that whatever could be called a mungo bean, in the broadest sense, came under the preference. That is how we approach such problems.

► *As you know, in Africa, and other parts of the developing world, there are also attempts to build economic communities. Do you think*

that the experience of the Court would be useful to the political leaders in those countries?

— Certainly the Court is a highly significant example. Already, in other regions of the world an interest has been taken in the Communities, and in our Court. I refer especially to Latin America where an agreement has been signed between the Andean states, with a view to setting up a court which is not dissimilar to ours. I also found a very lively interest in South-East Asia among the Asean states who are also considering the pattern of the Community to see what they could possibly use in their own context. A judicial organ might foster very substantially the growth of such schemes, because a court makes sure that the rules which have been fixed are also observed.

► *Could I ask you a question about language. The legal profession is known for its precision, and obviously it's important that judgements and opinions of a legal sort should be extremely clear. Is there a problem for the court in dealing with so many national languages?*

— Well there is a problem, but this problem has been solved, I think, to the satisfaction of everyone. The Court has seven official languages which means that all the official languages of the member states are also official languages of the Court. But don't think that each case is conducted in seven languages simultaneously. Whenever a person brings a case to the Court it is the claimant who will choose the language of the case among the seven languages. The same applies to the judges under the procedure for preliminary rulings. It is the national judge, who by using his own language, determines the language of the case. Once this language has been chosen the whole case will be conducted in that language, the parties will be heard in written and oral argument in their own language, and also the judgement will be rendered in the same language. The judgement is then authentic in that language. This corresponds to a very essential idea of justice, that everyone should be able to speak in his own language, and be capable of understanding exactly what the Court finally decides on his behalf. ○

Interview by
IAN PIPER

Books about Europe

ENTRETIENS EUROPÉENS DE STRASBOURG: les relations entre l'Europe occidentale et les Etats-unis d'Amérique (European conversations in Strasbourg: relations between West Europe and the USA) — Pergamon Press France S.A., 24 rue des Ecoles, 75240 — Paris Cedex 05 — Pergamon Press, Ltd., Headington Hill Hall, Oxford OX3 0BW — 279 pp. — Bfrs 771 — 1982

More than 30 prominent American and European figures involved in politics, diplomacy, economics, human rights and research were brought together in Strasbourg last year, under the auspices of the Council of Europe, by Strasbourg's University of Legal and Political Sciences. It was a time of government changes in several EEC countries and the point of the meeting was to establish a detailed review of transatlantic relations. It was the first of a planned series of "European conversations in Strasbourg" and this volume is an account of the discussion.

It was a frank exchange of views, eloquently presented, between Europeans and Americans, who are aware of the common interests of pluralist democracies as much as of the need to preserve and promote the political identities they represented. Academic day-dreaming was firmly put aside as the participants made a clinical analysis of symptoms in order to combine their prognostics.

Unanimity would have seemed suspect in such a genuine colloquium, but the basic ground for transatlantic democratic consensus was cleared of unnecessary obstacles in the wide-ranging Strasbourg talks. Beyond the institutional logic of formal alliance, what emerged allowed the identification of various deadlines common to Europeans and Americans in several essential areas.

This account of the talks — informal, open and of high level — will be very valuable to those whose work places them between the processes of analysis and of political decision-making.

Jean-Paul PIGASSE — **Le bouclier d'Europe: vers une autonomie militaire de la Communauté européenne** (The shield of Europe: towards military autonomy for the European Community) — Edition Seghers, Paris — 287 pp. — Bfrs 547 — 1982

Europe remains at peace in a dangerous and unstable world, despite a number of alarms. No doubt this is due to an economic and military balance between western and Warsaw Pact forces that is better respected than is sometimes claimed. However, Europe has long been dependent on American protection, while France also trusts in its own nuclear deterrent, and the strategic and tactical picture has changed over the last quarter of a century.

In future, peace would seem to depend on European capacity to form a defence federation. Within the framework of a renewed Atlantic alliance, the Community will have to guarantee the security of its own territory and defend its own foreign interests.

So argues Jean-Paul Pigasse of the French strategic studies institute and defence studies foundations. It is a solidly built case and carries the following conclusion in the particular case of France: "It is clearly absurd to imagine that France can continue to cling to the primary idea of deterrence backed by massive nuclear reprisal capacity, or continue offering strategic nuclear weapons as the only answer to foreign threats, or remain in strategic isolation after so many years... France has a simple choice: either to sit tight, or to use the considerable advantage acquired by the policy of the last 20 years, in which case new threats could be met successfully. Otherwise, France will irremediably condemn itself to no longer being able to guarantee security under satisfactory conditions".

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Pierre GOUROU — **Terres de bonne espérance, le monde tropical** (Lands of good hope, the tropical world) — Terres humaines, Editions Plon — 1982

Warm and rainy, the tropical world is the victim of some absurd prejudices. They must be cleared up. For instance, the tropics are commonly considered a hostile environment: numerous diseases sap the strength of their people, who are further discouraged from work by the humid heat; the land is believed barren; the "virgin" forest is a "green hell".

Large areas of the tropics are certainly unhealthy and sparsely populated; standards of living are often low and societies technically backward. But this author believes that such first impressions, encouraged by "anti-tropical racism", can only be revised on closer examination, based on first-hand knowledge of particular geographical areas and on the history of their people.

Great civilizations have arisen among the densely-populated lands of South-East Asia, even if isolation meant lingering backwardness. The death rate in Europe was dreadfully high during long periods of history; decisive progress in medicine made itself felt in the 19th century, but modern health care was late in reaching the tropics. Now, there is immense progress and effective medical administration can transform tropical conditions.

The rain and the heat can be seen as great renewable resources, available the year round. Far more land could be farmed and irrigation can greatly increase the yields. The tropics could not only feed their people abundantly but also provide food for the world. The Third World could be the store-house of the planet.

Yet, for that to happen, development must be thought out again, its methods redesigned and adequate techniques of training and production at last applied. So "development" is the key word. How? With whom? Why? The future of farming in the 21st century lies in the tropics.

Pierre Gourou is a specialist of the tropics and this book gives a great deal of hope. His first work was carried out in the lower Tonkin area and he has devoted his life's research to studying the great tropical deltas:

the Red River and the lower Mekong (Vietnam), in tropical Africa, Brazil and India. He was elected professor of tropical geography and demography at the Collège de France in 1947 and has taught at the Université libre de Bruxelles since 1936. He is one of the most eminent figures in French geographical circles and his research has led, via several publications which have greatly influenced contemporary ideas in his field, to the revision of a good many concepts. This book is the summary of his thinking.

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Bernard LIETAER — Le grand jeu Europe — Amérique latine (Europe and Latin America: the big game) — Presses Universitaires de France, 108 bvd Saint-Germain, 75006 Paris — 400 pp — 1981

1982: the world monetary system is cracking under the tension of oil prices and the weight of a dozen developing countries' debts. Brazil cannot repay its creditors and launches a rebellion with Argentina, Tanzania, Jamaica, Sudan... The monetary conflict of the 1980s, the most critical period of the generation, has begun.

A disaster film scenario? Political fiction? No. It is a deadly earnest warning by Bernard Lietaer, professor of international finance at Louvain University and head of planning, organization and information technology at the Banque Nationale de Belgique. Lietaer suggests a long-term solution to the problems of a faltering monetary system, reducing the damage by setting up a "world development exchange" (bourse mondiale du développement). A Europe/Latin America axis within the North-South conflict could provide the basis for a compromise involving the European national companies.

This book is a second version of the sold-out 1979 edition of Lietaer's proposals. His ideas have been catching on in such forms as a "Marshall Plan" for the developing countries and a world-wide "New Deal" (formulated by French foreign minister Claude Cheysson). They are not only up to date but are increasingly coming to the fore as new de-

velopments give more urgency to his warning. This book presents realistic options and concrete mechanisms for coping with the crucial challenges of the 1980s.

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EUROPEAN DOCUMENTATION — An Education policy for Europe — Office for official publications of the European Communities — 1982

Problems of education and training concern pupils, students, parents and teachers. In a European Community where at the beginning of 1982, 11 million people were without work, 40% of them below the age of 25, the role of education and training is more important than ever before.

This booklet explains the European Community's interest and concern as regards education. The Community institutions' role is not to take over from the Member States and replace the national education systems by a system organized at European level.

The role of the European Community is rather that of coordinator. The Member States whose experience in this area reaches back over centuries and which are still gathering new experience today should be given an opportunity to exchange their experience with a view to mutual enrichment.

A further task of the Community is to find a way of allowing young people to pursue their studies either in whole or in part in another Member State of the Community. Of course, this presupposes the mutual recognition of diplomas at European level.

Millions of children of migrant workers are living in the countries of the Community. Their education, which should take account of their language of origin, is a subject of major concern for the Commission of the European Communities.

An obvious task for the European Community is to make young people at school aware of Europe. These young people who are called upon to learn the history and geography of their own countries should also be aware of why the peoples of Europe, who have inherited the same culture and the same civilization, need to unite to survive and assert them-

selves in a world where there will soon be 6 000 million people.

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Carlos RANGEL — L'Occident et le Tiers monde: de la fausse culpabilité aux vraies responsabilités (The West and the Third World: from, false guilt to real responsibilities) — Edition Robert Laffont, Paris — 221 pp. — Bfrs 600 — 1982

"This book deals with a hopeless subject. In reality, most of the governments who dominate the planet today have no interest in applying the means of reducing the inequalities between rich and poor nations, because they find it more lucrative to exploit these inequalities, politically and ideologically, than to redress them. Moreover correcting the balance would do away with the forms of power that prevail in most of the Third World, structures which bring the satisfactions of a unique mixture of omnipotence and irresponsibility to those politicians who know how to use them.

"In the rich countries, the political left has lost its moral horizon since the now undeniable failure of communism, and now brings to Third World affairs its ideological imagination and its need to feel guilty, the sources of a desire for eternal omnipotence. This imagination and this need do not spring from any concern with curing world poverty in practice, no more than the communist illusion once did. These Third-World sympathizers are not aiming to develop the societies that need it, but to arraign and, if possible, destroy the societies that are developed. Peaceful progress would imply a painful revision of Third-World ideology itself, which is very unlikely so long as communism has any pulling power and socialism any credentials.

"For all these reasons, this book would seem an exercise in general mud-slinging. But men of good will cannot deny the truth of Carlos Rangel's thinking. His approach is the only way to a clear grasp of the problem of economic inequalities between nations, and therefore the only way to a solution." (Jean-François Revel.)



Under the "Somalita" label, Somalia is promoting a better quality banana on the Italian and Middle Eastern markets

The banana trade and the ACP states

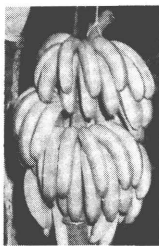
The term 'universal fruit', if there were such a thing, could best be applied to the banana. It is grown in tropical countries, where there is both the heat and humidity it needs to thrive, and is now a regular shopping-list item in countries with temperate or cold climates, where it manages to compete with local fruits such as apples, pears, oranges and grapes. This breakthrough on markets which are a long distance away from the place of production has been made possible by a whole series of technical improvements in production, packaging and transport, enabling quality fruit to be obtained at reasonable prices. Over the years the banana industry in a number of countries has been adapted to the requirements of an efficient, modern economy.

The difficulties of ACP producers have in fact been caused by this modernization of structures. Generally speaking, the banana plantations in these countries are small, family affairs and the income they produce is vital for the rural environment. Unfortunately the costs of this type of production are high and the quality varies. Moreover, in the last few years several ACP countries have seen their plantations laid waste by cyclones or destroyed by drought. If there had been no historical links to

guarantee them privileged access to protected markets, it is generally agreed that they would have dropped out of the banana industry, as the competition is so fierce.

Most of this competition comes from Central and Latin America, where production costs are very low. It is in this area that the large multinational companies which dominate the world banana market are established and obtain their supplies. In 1980 United Brands, Standard Fruit and Del Monte held 63% of the world market between them. At that time they obtained 86%, 83% and 75% respectively of all their supplies from Central and Latin America, and nearly all the rest from the Philippines.

This dossier looks at all aspects of banana growing, with particular emphasis on ACP production and the organization of Community markets. We tend to forget that bananas are not merely a dessert, as this dossier shows. In many regions bananas are eaten green, pureed or grilled, as a vegetable. Bananas are used to produce a very popular aromatic beer, so that they are also a source of alcohol. Fruit, vegetable or drink, the banana is Nature's convenience food.



Banana export production — a history

by J. CHAMPION⁽¹⁾

About six million tonnes of bananas are now imported annually by the cold and temperate countries. The trade has developed over at least a century, a certain number of economic conditions between 1860 and 1880 combining to create an economic situation conducive to this.

In particular:

- varieties of sweet banana that were fairly easy to transport grew in regions where the trade could be developed;
- transport improved (steamships and refrigerated holds allowed bananas to be moved long distances);
- consumers in the rich, industrializing countries took an interest in exotic products;
- dynamic entrepreneurs ran many a scheme, particularly in the New World, and the history of banana importing shows how important they were. The present patterns of the international trade in this fruit still bear the stamp of this, and it is useful to know about it.



CAMAR

Loading bananas at Mogadishu. Some 6 million tonnes of bananas are imported each year by countries in temperate zones

Before discussing the commercial period, it is probably worth mentioning that bananas originally came from the Far East. For thousands of years the fruit diversified naturally, via the hybridization of wild seed varieties and repeated mutation, in this part of the world and the result was several hundred types of banana which people used and passed on. And the shoots easily produced more. The plantain (1) banana has grown in central Africa for

thousands of years and it was migrants, traders and explorers who gradually spread the palms, which they thought were extremely useful, to Asia Minor and East Africa. The Portuguese and the Spanish took them to the coast of Africa, the Caribbean islands and continental America. The introduction of the varieties now on the market is more recent.

The Canary Islands were a stopping-off point for banana boats to the Caribbean during the period of discovery (1516, Gonzalo Fernandez de Oviedo), but the dwarf banana plant was not introduced from Indochina until the mid-19th century, by the head of the Orotava (Tenerife) botanical gardens and the French consul. Charles Telfair had found the same tough little banana plant in south China in 1826 and, after growing it on Mauritius, sent two shoots to a friend in England. After being grown under glass for years, this variety was taken to Samoa and Fiji in a missionary's trunk. In 1821, Perrolet took a batch of live plants, including the little Chinese variety which was to spread throughout the Caribbean, from the Philippines to Cayenne.

The dwarf banana plant, scarcely grown outside the Canary Islands today, belongs to a homogeneous subgroup (Cavendish), the members of which only differ in their overall size and the size of their different sections. One has derived from the other by mutation. No one knows whether *Poyo* and *Grande Naine*, the well-known commercial varieties, are the result of mutation that occurred in the Caribbean or whether they were brought to the islands. What we do know is that *Valéry* (same subgroup) was in the old collection of the United Fruit Company in Tela (Honduras) and labelled as coming from Indochina.

Valéry was destined to replace *Gros Michel*, which was wiped out by an outbreak of Panama disease (fusariosis) on the North American company's vast plantations.

Gros Michel (from the Malayan *Pisang embon*) was brought from Martinique to Jamaica quite recently, in 1836. No one knows how it got to the Caribbean in the first place, but it seems likely that the industrial plantations of tropical America originated with this Jamaican strain.

First attempts at long-distance transport

Sailors once took bananas on board and ate them as they got ripe. With good winds and cool weather, the fruit got back to European and North American ports, to the great pleasure of a few people. The short distances between the Caribbean islands, the Gulf of Mexico and the American coast, and between the Canary Islands,

(1) A sub-group of the AAB group, consisting of cooking varieties. Plantains are one of the crops grown in the nomadic system, with long fallow periods, in the tropical forest. They are also constant features of the gardens around the dwellings.

Madeira and the Spanish, Portuguese, French and British ports mapped out the first patterns of trade. Bananas ripen faster at high temperatures, even when picked green.

A few hands of bananas were sent from Hawaii to the USA in 1856. It seems that Carl A. Frank was responsible for the first regular shipments, from Aspinwall (Canal Zone, Panama) to New York in 1866.

Lorenzo D. Baker was the captain of a schooner which, on a return trip from Venezuela, called in at Port Morant in Jamaica and loaded up with bamboo and bananas. Baker successfully sold them in the USA (1870). He tried it again in 1871, this time with coconuts and bananas, which he landed in Boston. He organized shipping, by schooner, from Jamaica to Boston, but the business failed after three years, so he found himself a first-class sales organizer, A.W. Preston. In 1876, Baker was with the Steam Navigation Co. and together they created the Boston Fruit Company in 1885. Baker set up in Jamaica, as the banana trade was such that the crops and fruit collection needed to be organized. At the time, organization covered production, collection, transport and a sales network.

In 1850, railways were being built in Central America. In 1871, a certain Minor C. Keith joined his brothers who were working, with enormous difficulty, to get a railway established between Puerto Limon and San José. Young Keith soon saw that he would need paying quantities of freight before the line was finished and he decided to go into the banana business. It was a bright idea and, as luck would have it, the land was fertile. Carl A. Frank provided the banana palms and Keith planted them along the railway. He unloaded his first consignments in New York in 1879, shortly after the Baker venture began.

In the 1860s, there was concern in the Canaries. *Opuntia*, cultivated as a food for the cochineal insect, from which the fast dye carmine is obtained (the Canaries produced 100 t and Honduras 400 t in 1845), had been developed considerably. (Aniline-based chemicals were developed after 1856 and have improved constantly since.) Carmine production went on expanding, but prices dropped, so *Opuntia* disappeared and banana production increased, dwarf varieties taking over easily because of the long-standing tradition of irrigation and terracing on Grand Canary and Tenerife.

The British firm of Elders and Fyffes rented land in the Orotava Valley on Tenerife for 10 years and consignments to the UK developed over the 1880-89 period. Then the land-owners themselves took over the plantations. Exports developed rapidly until the early 20th century and went on expanding regularly afterwards with the exception of some poor years.

Banana fever in America

The names of the pioneers have been forgotten. The Aspinwall Fruit Company founded by the Franks stopped trading when work on the Panama Canal began. Many firms importing and selling to the USA sprang up. Minor C. Keith's affairs flourished and he had three firms by 1898 — the Tropical Trading and Transport Co. Ltd (Costa Rica), the Columbian Land Co. Ltd (Santa Marta) and the Snyder Banana Co. (Panama, Bocas del Toro).



Belize Information Service

Bananas awaiting packaging in Belize. Bananas need careful attention at all stages from growing to selling

At the same time, the Boston Fruit Company became a limited company. It already had its own fleet and it hired out banana boats. It appears that there were 114 banana-importing firms, working on a more or less regular basis, in the USA at this time.

Competition to obtain land and sell and obtain concessions was just as fierce in Central America and the Caribbean.

In March 1899, the United Fruit Company was set up in Boston when the Boston Fruit Company and its subsidiary, Fruit Dispatch Company, merged with three firms directed by Keith. A.W. Preston was the first chairman.

United Fruit

From the United Fruit Company's first annual report we learn that, back in 1900, it owned 86 000 ha of land — 61 000 ha of it was reserves, 16 000 ha was banana plantations and there were sugar plantations as well. There were herds of cattle, railways and a dozen ships (and 30-50 more were hired). There for all to see were the guidelines of a strategy which remained more or less unchanged for 60 years. It consisted of obtaining concessions on vast tracts of low-lying, unused and reputedly poor land in return for establishing communications and port facilities, enclosing the farms and their infrastructure so as to isolate them from the rest of the country, and controlling the whole production/consumption chain, even the communications. The company had to fight competitors hard and get the local authorities on its side. Hence a whole literature on banana republics and 'green gold' in which it is difficult to see the good done by the banana trust and the bad done by the colonization of all this hostile territory. The United Fruit Company was proud of creating wealth where there had been none before, but the countries themselves felt they were being exploited and that most of the so-called wealth was going into the pockets of the company's shareholders.

However, UFCo's difficulties were not just with the local governments. Competitors were a bigger problem. Although the British firm Elders and Fyffes (the shipping firm Elders and Dempster launched the first three refrigerated banana boats between Jamaica and Bristol in 1901) ultimately merged with United Fruit in 1910, the fight with the Di Georgio group (a set of threatened small businesses) lasted from 1901 to 1918 (Atlantic Fruit Co.), not without its violent episodes. United Fruit bought back the Cuyamel Fruit Co., set up in 1905 by Zemurray (who had fomented revolution in Honduras to serve his own ends), in 1929.

Expansion was hard, but the results were good. The second chairman of the company reportedly said that, in 1925, it owned more than 650 000 ha of land across the isthmus (Costa Rica, Honduras, Guatemala, Nicaragua and Panama), in Colombia, the Caribbean (Cuba) and the Canary Islands. Of this, 130 000 ha was under cultivation, 70 000 ha under banana palms. That was the end of the era of conquest of virgin land. Panama disease was already well-known and the only answer to it was to move to other areas, which was partly behind the desire to have large tracts of land in reserve.

The international banana trade in 1910

The volume exported at this date was approaching a million tonnes, produced by the countries around the Caribbean. The USA absorbed 760 000 t of this for its population of around 91 million, reaching a *per capita* consumption of 8.3 kg in only a few years, an extraordinary success story. The transport and subsequent ripening of bananas was now problem-free. United Fruit covered all stages of the process and regulated all movement. The UK took 122 000 t, Germany 25 000 t and France 22 000 t and for a long time the UK re-exported regular supplies of bananas from the Canaries, Costa Rica and Jamaica to continental Europe, to which few exotic products then found their way.



A banana plantation in the Ivory Coast. The country has benefitted from privileged access to the French market

Then as now, the Americas exported widely to Europe. But at that time, the United Fruit/Elders and Fyffes association was more or less master of the market.

The inter-war period

World trade expanded between 1925 (1.6 million tonnes) and 1930 (2.4 m) and then stagnated during the international crisis, only picking up again between 1936 (2.4 m) and 1938 (2.6 m). North American (USA) consumption peaked in 1929 (1 482 000 t), hit its lowest point (901 000 t) in 1933 and gradually improved as the war drew nearer. But Europe went from 277 000 t in 1925 to 870 000 t in 1938, when the UK consumed 403 000 t, Germany 178 000 t and France 162 000 t.

Behind these impersonal figures we may detect the fact that, in 1931, France and the UK introduced a protectionist policy towards their colonies. This was a consequence of the crisis and of the foreign exchange shortage. France encouraged farmers in the Caribbean and its African coastal possessions to plant bananas and gave them help to do so. Guinea began exporting in 1931, using the dwarf variety popular in the Canaries. The Caribbean followed suit in 1932 and Cameroon and the Ivory Coast came later. Somalia began in 1933, with Italy protecting the production of its colonialists.

And there was something new. Some bananas were produced just for France — which, in 1932, set up a banana board, the only French market regulation body, which recently celebrated its 50th birthday.

One remark could be made if the reader has a table of statistics for this period, and it is this. Countries come and countries go. Mexico, for example, exported as much as 384 000 t in 1937, but the plantations were destroyed by disease and other hazards. The plant health situation too was poor at the end of the 1930s. A leaf infection (cercosporiosis) struck and it was coped with badly, Panama disease spread and there were other scourges too.

United Fruit went on expanding. The Cuyamel Fruit Co. was absorbed, but Zemurray, its head, became chairman of the trust in 1933. However, the Standard Fruit Company (ex-Vaccaro Brothers) soldiered on in Honduras. There were many technical problems. Panama disease caused an increasing amount of valuable land to be abandoned. Spray irrigation was used on the drier Pacific coast, but techniques were still standardized and there was a high degree of centralization, although the farms were reasonably large (250-300 ha) — even though they aid stretch, side by side, for thousands of miles.

The war and the post-war period

Sea freight more or less stopped during the fighting and the banana boats were requisitioned for military purposes. Upkeep of the plantations was a financial problem.

Average world imports in 1945-49 were 1.8 m tonnes, North America taking almost the pre-war figure of 1.3 m. One or two countries of Central America—Honduras and Guatemala—had more or less retained their potential, but production in the Caribbean and tropical

Africa, where the industry was in the hands of small planters, was slow to get off the ground again. France imported 25 000 t of bananas in 1946 and 85 000 t in 1947, but in the 1950s this went well past the 200 000 t mark, to reach 362 000 t in 1961.

In the Americas, the predominance of the four big producers (Panama, Costa Rica, Honduras and Guatemala, with 1.2 m tonnes) did not look as though it would last. Panama disease was rife and United Fruit had reached the limits as far as moving to new land was concerned.

So United Fruit and Standard Fruit looked to Ecuador, which only exported 2 million hands of bananas (around 40 000 t) before the war but had enormous potential in land. Development was incredibly fast, going from 16.7 m hands in 1952 to 32 m in 1961. Ecuador became the world's biggest exporter, its new producers tending to be national rather than European firms. Obviously most buyers were foreign. There were the American companies, for example, which could take what they liked from this fund of exportable bananas, often according to what they had available on their own plantations. The Ecuadorian banana won some European markets at a time when Central America was disease-ridden. In Ecuador, the industry was soon organized and plant health and quality control were properly taken in hand.

Technical change in the 1960s

France's suppliers, other than Cameroon, grew varieties (*Poyo* and *Grande Naine*) of the Cavendish sub-group which tolerate Panama disease. The Canaries produced a dwarf banana which was also fairly tolerant (although one species of fungus caused some damage). Elsewhere, *Gros Michel*, with its great qualities, reigned supreme. The plant is tough and the bananas are big, tasty and relatively resistant to transport problems. But the scientific drive to eliminate the disastrous Panama disease had not succeeded (and even spectacular artificial flooding over several months failed to kill the fungus completely). Attempts at creating resistant hybrids (in Jamaica since 1922 and in Honduras since the '60s) had been inconclusive, although promising tetraploid plants had been obtained.

The Standard Fruit Company in Honduras took the brave decision to set up plantations of *Giant Cavendish* (from the disease-resistant sub-group). It was a commercial risk. Going a stage further, and because *Cavendish* bananas were more delicate and difficult to transport in whole bunches, Standard tried wrapping hands separately in crates and cartons. A revolutionary departure!

A little later, United Fruit began large-scale tests with *Valéry*, which is similar to *Poyo* and in the same sub-group (fortunately tolerant then, as it is still, to Panama disease). The decision to drop *Gros Michel* was a hard one, but things moved fast afterwards. The change had to be forced through all the way down the production line and this posed a number of problems. The consumers had to agree, too. So, for example, United Fruit launched *Chiquita*, a fine, long, unmarked banana. The companies effected the change with care. A new, much more inten-



Belize information service

To avoid damage, stalks of bananas are moved by cable from the plantation to the factory...



Belize information service

... but even at the plantation they are wrapped in protective sacks

sive growing method was introduced, harvesting was improved (a dense network of overhead cableways ensuring the internal transportation of the bunches), packing stations were fitted out, alterations were made to transport and ripening facilities, and so on. All the countries in fact took over these techniques. In some of them, where the banana plantations were very small, it was impossible to replace the harvest-collection system (Jamaica) by a more efficient but very costly process. This technical progress helped strengthen the dominant position of the big companies. However, sound professional

organization made its contribution when it came to getting attuned to change (in the French islands of the Caribbean, the Ivory Coast, Ecuador, etc.).

Higher yields per unit (a standard 2200 boxes of 18 kg of bananas in hands or parts-hands per ha) meant that land could be used more rationally and the best tracts selected. In spite of all the drawbacks, the operation had positive results, although there was constant overproduction.

Multinationals and nationalism

United Fruit had a network of subsidiaries in many parts of Latin America and the USA. However, it had problems with the local authorities and sometimes the people too. In Guatemala in 1954, a showdown with the progressive government ended in victory for the company. United Fruit owned or had concessions on vast stretches of land and it had diversified to include coconut palms, oil palms, pastureland, etc. It provided communal facilities (housing, schools, hospitals and so on), but its image was still that of an American company exploiting the country, the very symbol of the foreigner.

In the '60s, Thomas Sutherland, the chairman, adopted the 'associated planters' policy and UFCo was no longer alone. In the USA it was considered as a trust and had to allow proper competition.

So three groups with diverse multinational activities emerged. The old United Fruit became United Brands (when it merged, in 1970, with AMK, the Del Monte firm which went into bananas to avoid being bought up by United Fruit). In 1965, Castle and Cook took over control of Standard Fruit (source — UNCTAD reports). The introduction of three firms in the Philippines, which became Japan's major supplier, is fairly typical of the new pattern of strategy — associate with local and Japanese interests and supply technology and organization. These formulae cater for all interests, except perhaps for those of the worker, but information on them is sparse.

Some banana republics were represented at an FAO session in Bremen in 1973 and, for the first time, reproached the US representatives, in particular for the low agricultural wages and the minimal tax returns on a "product that could be sold in temperate countries at much higher prices if agreements were established to this effect". In March 1975, the Panama Agreement between Guatemala, Honduras, Costa Rica and Panama instituted a high (US \$ 18) tax per carton of bananas exported, triggering off a lengthy crisis and a refusal to purchase on the part of the banana companies. In the end, each country reduced its demands, not uneventfully, as there were bribes and one director committed suicide.

The result, a potentially interesting one, was the setting up of the Union of Banana Exporting Countries (UPEB) in September 1974. This organization includes the countries of Central America and Columbia, but not Ecuador. However, the UPEB has been unable to obtain any positive results in international meetings; the banana trade is still in the hands of the three big American companies and a certain number of importers in each of the main consumer countries. In 1976 (Tegucigalpa) it criti-

cized the Lomé agreements and called for the complete liberalization of the protected markets. In 1978 (FAO, Rome, Banana Group), each country wanted to keep room for manoeuvre and the transnational circuits were often the only way of selling.

The French position was clear — protect the Caribbean and African suppliers (Ivory Coast and Cameroon), make demand forecasts enabling supplies to be distributed and fix prices by an official agreement between the parties. The undeniable advantage was to give more money to the producers, even if they did not have the most favourable natural and economic conditions.

Past and present

In 1980, Central and South America exported 5 499 000 t of the world total of 6 912 000 t. As imports into the temperate regions of America were only 3 067 000 t, it must be concluded that there is a large European import trade.

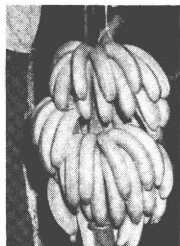
The expansion of the banana industry in the small "green" republics between 1880 and 1910 still has an important effect on trade. Certainly such favourable soil and climates are rare, but it is reasonable to suppose that the short distances around the Caribbean and to the US coast were a deciding factor in the original commercial success.

This advance was consolidated by the construction of a highly integrated system of exploitation. United Fruit did a lot, although it was late with its share of the cake and it managed to hang on to its commercial monopoly for a long time.

In 1980, Europe imported 2 508 000 t and 268 000 t of this went to the East Bloc, the countries of which are thus potential consumers; Spain, with its 460 000 t from the Canaries, should be added to this. France alone is a strictly protected market (446 000 t), only buying from third countries if it has to do so to meet consumer demands. This is a relic of the 1930s, when there was an attempt at avoiding an Anglo-Saxon hold on the European market.

Banana plantations are vulnerable to (and can even be destroyed by) diseases other than those mentioned in this article, as indeed they are to bad weather. Time and again, hurricanes and storms have beaten down plantations on Martinique, Guadeloupe, Formosa, Madagascar and more... but the banana plant is fast-growing and a plantation can be constituted, albeit at great cost, in a year.

One of the problems in creating an export banana zone is that great care has to be taken of the fruit and suitable installations have to be available. There lies the cause of many a failure, in particular by peasant farmers, who have neither the infrastructure nor the training needed for success. And then, large enough quantities of bananas at a suitable stage of development have to be produced regularly every week for loading on special ships. The container method used in the Caribbean opens fresh possibilities. Nevertheless, in most cases, failure is due to bad organization rather than insoluble technical problems. ○



Medium-term outlook for world trade in bananas⁽¹⁾

Following the request of the Intergovernmental Group on Bananas at its seventh session, the FAO Secretariat carried out, during the second half of 1981, an assessment of the medium-term outlook for world trade in bananas. This medium-term outlook covers the period up to 1984/85. The following provisional assessment of the export availabilities has taken account of a number of factors, including expected increase in productivity and production expansion programmes and targets in major exporting countries. In some cases, a range of estimates has been established.

Statistical projections of import requirements have been made for 1985, starting from an average 1977-79 per caput consumption and on the assumption of constant 1978 real prices. Mainly, the log-inverse function has been utilized which allows for per caput consumption approaching saturation level at high income. For the USSR and East Europe, empirical forecasts have been made.

Estimated export availabilities by 1984/85

Central America: Information which was recently made available to the Secretariat makes it evident that while the region still expects a further phase of expansion of banana production for export, the expected growth is more moderate than previously anticipated. In particular, programmes have been curtailed in Costa Rica and to a smaller extent in Guatemala. Only Honduras intends to extend production sizeably beyond the level reached before hurricane Fifi in 1974.

Costa Rica introduced a law in 1978 permitting an increase in banana acreage on the Atlantic coast of the order of 7 600 ha. However, this expansion has never been fully implemented. In fact, the net expansion in Costa Rica is estimated at around 3 500 ha. While somewhat less than 5 000 ha have been planted under the expansion plan and between 500 to 1 000 ha by private initiative, about 2 000 ha have been abandoned in Riofrío and Golfito. If the reduced expansion programme came fully into bearing by 1984/85, total exportable production should be around 1.2 million tons, an increase of export availabilities of 24 % above the 1977-79 level. Whether this target will be fully achieved will depend on many factors, including availability of finance and, where applicable, the cooperation of multinational corporations with the government. There is, however, the likelihood of a further reduction in banana acreage on the Pacific coast. A realistic assessment for net export availabilities

by 1985 should further take into account some inevitable time lag in plan implementation. Hence, exportable production at the envisaged time horizon could be around 1.1 million tons.

Guatemala has undertaken a fairly large production expansion programme since 1979 and increased the exportable output from 250 000 tons in 1977-79 to about 350 000 tons in 1980. The 1981 output is estimated at 20 million boxes, i.e. 362 000 tons and hence, a target of 400 000 tons by 1984/85 could be considered a realistic goal.

Banana production in **Honduras** has been steadily recovering from the hurricane damage in 1974 and by 1980 it had finally reached the pre-Fifi level. This happened despite adverse effects on production from Black



Loading bananas in Somalia. World export production is higher than demand

Sigatoka disease in 1978, wind damage in 1979 and labour troubles in 1980. Expansion plans at present indicate export availabilities by 1984/85 of 1.1 million tons (61 million boxes), an increase of 16 million boxes over the 1981 output. Taking into account the continuation of labour unrest in 1981, the scarcity of and the very high prices to be paid for diesel fuel for irrigation pumps, the financing of the expansion programme may be a limiting factor to reach the target. Export availabilities of 1 million tons by 1984/85 should be realistic, also in view of limited market outlets.

The implementation of **Panama's** plan to expand banana production by about 1 000 ha on the Pacific coast has run into difficulties. Full implementation should only be finished by 1984. Growth prospects are therefore moderate, in particular since increased production is usually associated with a purchase guarantee to producers. Elsewhere in Central America, production expansion would not sizeably enlarge export availabilities to the world market. Reports of expansion programmes in these countries are substantiated only to a very limited degree.

Best estimates of export availabilities for Central America around 1984/85 are shown in table 1 and indi-

(1) FAO document.



If supply continues to outstrip demand the producing countries will have to coordinate their expansion programmes

cate that for the region as a whole, they might range between 3.45 and 3.60 million tons, slightly less than the 3.5 and 3.8 million tons estimated in the earlier FAO study.

South America: Banana production expansion plans in Ecuador and Colombia are at present mainly geared to improving productivity rather than increasing acreage. While recent production in **Ecuador** suffered severely from drought conditions, there are expectations that a recovery will be possible in the medium-term. Official estimates are that export availabilities in 1984/85 will be of the order of 1.5 to 1.6 million tons.

In **Colombia**, planting programmes are complete but further gains in productivity can still be expected. Total acreage has been planted to Cavendish varieties. About 80% of the 21 000 ha is in the Uraba area, the remainder in Santa Marta. Export availabilities are estimated at around 800 000 tons by 1984/85 or 17 percent above the actual 1980 exports.

Elsewhere in South America, export availabilities in **Brazil** are unlikely to increase, mainly due to shrinking market outlets, while in **Surinam** it may be assumed that exportable supplies could increase moderately to around 40 000 tons in 1984/85. In total, South America could have export availabilities of 2.5 to 2.6 million tons by 1984/85 compared with 2.1 million tons in 1980. Estimated export availabilities in the earlier study for 1984/85 amounted to 2.7 to 2.8 million tons.

Caribbean exporters: Banana production in **Jamaica** and the **Windward Islands** (Dominica, Grenada, St. Lucia, St. Vincent) has suffered adverse weather conditions

for a long period. After severe droughts in the early 1970s and some recovery afterwards, two hurricanes in succession in 1979 and 1980 ravaged the banana crop. Hence, at the beginning of the 1980s exports are well below the levels of a decade earlier. Both areas have been engaging in replanting, improving growing conditions, yields and quality of fruit. For these reasons, and on the assumption that the ravages of hurricanes David and Allen will be overcome, it is estimated that export availabilities around 1984/85 could recover to about 120 000 and 160 000 tons respectively in the two areas. The French overseas departments **Guadeloupe** and **Martinique** have also been hit severely by the two hurricanes and hence their plans to improve production conditions and quality of fruit and to modernize packing centres and the transportation system, as well as efforts to intensify banana disease control have been retarded. Export availabilities for Guadeloupe and Martinique are estimated at 150 000 and 200 000 tons respectively, but these estimates may be optimistic in view of the hurricane damage of 1979 and 1980.

Asia: The banana export industry in the **Philippines**, which had developed rapidly from the late-1960s to mid-1970s, stagnated for several years when the maximum acreage limit previously set by law at 21 000 ha was reached. Under a new law no. 790, the government in 1979 authorized additional banana planting for about 5 000 ha, which could yield, if implemented, more than 200 000 tons of fruit per year. However, one condition of this law is that the land must be suitable for economic cultivation of bananas and evidence must be shown of firm sales contracts for the planned production. So far, the implementation of the new planting has been slow and by the end of 1980 slightly more than one thousand additional hectares have been planted.

Africa: The banana industry in the **Ivory Coast** has been confronted in the last few years with economic and structural difficulties which have led to a decline in exports to 115 000 tons in 1980, as compared with 175 000 tons in 1974 and 140 000 tons in 1978. While only very limited area expansion programmes are foreseen (by the end of 1983 an additional 500 ha), general improvement of cultivation techniques and modernization of plantations are envisaged, which should raise yield and improve the quality of the fruit. It is understood that the official export availability target for 1983 is of the order of 125 000 tons, which may lead to a target for the mid-1980s of about 130-150 thousand tons.

In **Cameroon** the area under bananas in 1980 and 1981 decreased rapidly and the government is making great efforts to replant in order to bring area and production back to the former level and to expand output slightly by the mid-'80s. If the banana sector can be revitalized and the small plantations can be organized on a more industrial basis, the country should be able to export by 1984/85 around 100 000 to 120 000 tons of bananas.

In **Somalia**, banana production and exports have declined continuously since the early 1970s despite an advantageous geographical position in relation to the importing Near Eastern countries. Declining yields and ser-

ious quality problems were the major contributing factors to this decline. In 1980, only 32 000 tons were exported and serious replanting efforts will be needed to reach export availabilities of 60 000 to 80 000 tons by 1984/85.

Total estimated export availabilities

Total estimates of world export availabilities in 1984/85, including global estimates for countries that were not listed separately, range from a low estimate of 8.6 million tons to 9.1 on the high estimate. These estimates represent an annual rate of growth of 3.1 to 3.4 % over actual exports in 1977-79. It is interesting to note that the total exportable supply estimate 1984/85 is about 500 000 tons smaller than it was estimated some years earlier, which should be due mainly to delay in the implementation of expansion programmes in some countries.

Import requirements in 1985

World demand for bananas is projected to reach 7.6 million tons, representing an annual rate of growth of 1.4% from 1977-79 through 1985. Import demand in North America is projected to rise by 1.2% per annum, and about 0.9% in West Europe. In contrast, in Japan import demand is projected to decline by 1% per year. While for North America and western Europe this would result in a continuation of an upward trend, for Japan imports in 1985 indicate a serious drop below the level of the late-'60s.

Projections for the USSR and East Europe are hazardous, since imports into these countries are controlled within a regulated framework of economic policies and programmes. Projections of import demand based on estimated income elasticities are of very limited value and empirical estimates have been made for this group of countries for 1985. Bananas have so far received a rather low priority in foreign exchange allocations and a higher level of imports is linked to the provision of reciprocal export opportunities for centrally planned economies in the banana producing countries. There is also a lack of the necessary trade infrastructure in some of these importing countries. Nevertheless, their combined imports increased rapidly between 1965 and 1975 at an annual compound rate of 17%, but slowed down to 4.5% annually between 1975 and 1977-79, and there are indications that there will be further increases, although at a much lower rate, up to 1985. Import demand into this region has been estimated to increase at an annual average rate of 1.8% from 1977-79 through 1985.

Combined import demand of the relatively new markets of the Near East and North Africa is projected to grow by 5.7% per year, considerably less rapidly than during 1962-64 to 1978. This takes into account the fact that per caput consumption in some countries is now high, and secondly that in some countries, trade infrastructure facilities have been stretched to the limit. Political unrest has also had adverse impact on banana imports, especially in Iran. Some decline in the growth rate seems inevitable, at least until some of these difficulties are overcome.

Estimated exports and projected imports

In table 3, the provisional estimates of export availabilities around 1984/85 are compared with the projections of import demand in 1985. The table compares global export availabilities, ranging from 8.6 to 9.1 million tons, and import demand of 7.6 million tons, indicating a theoretical surplus of 1.0-1.5 million tons.

The size of the gap would mainly depend on the degree of implementation of current expansion programmes, although in practice some projects could fall behind schedule or be revised in the light of market realities. Furthermore, markets with high growth potential, could develop more rapidly than envisaged. Also, account should be taken of normal losses due to weather and the need to allow for some offsetting excess capacity.

Estimated export availabilities	1982	1984/85
	('000 tons)	
1. Central America	3240	3460-3610
2. South America	2300	2470-2610
3. Caribbean	480	630
4. Asia	1060	1180-1280
5. Africa	325	390-450
6. Rest of world	450	480
World total	7855	8610-9060
Projected import demand	1983	1985
	('000 tons)	
1. West Europe	2947	3001
EEC	2068	2104
Other West Europe	879	897
2. East Europe and USSR	330	340
3. North America	2434	2474
4. South America	302	350
5. Japan	730	750
6. Asia	317	358
7. Africa	69	78
8. Rest of world	180	201
World total	7309	7552

It should be emphasized that it is *not* predicted that large surpluses in excess of 1 million tons per annum will actually develop. Surpluses of this size could not be sustained and are therefore not likely to eventuate. Nevertheless, even the higher "surplus" figure is based on a fairly conservative estimate of producers' marketing expectations, indicating that there could be a tendency for supplies to exceed demand at current prices. Above all, it confirmed, the exercise would indicate the need for exporting and importing countries to consider in greater depth the medium-term supply/demand outlook and to determine whether some degree of understanding should be sought at the global, regional and individual country level regarding the implementation of expansion programmes. o



Banana production in the ACP states

by René LEDEMÉ (*)

ACP banana production—its situation now and in the future and its place on the Community market—is an important and topical question. It is also an extensive and very complex one, and it has to be split up to get a proper idea of all its aspects. Let us start by seeing which ACP countries are banana producers and what their legal situation is.

As soon as the Community was set up on 1 January 1958, 25 overseas countries and territories were associated to it and two more were associable. They included four African banana-producing countries, Cameroon, Ivory Coast, Madagascar and Somalia, whose relations with the EEC were formalized in the Conventions of Yaoundé I and II. Later on, the Council decision of 29 September 1970 brought in more producers, Suriname

amongst them; and finally, after the Community was enlarged to include the UK, Denmark and Ireland (on 1 January 1973), the Lomé Convention (28 February 1975) associated a number of "banana states"—the Windward Islands, Dominica, St Lucia, Grenada, Belize and Jamaica.

The production of all these countries is zero-rated at the customs, benefits from Community preference arrangements and is, under certain conditions, eligible for Sta-



René Ledemé

ACP and OD banana production (net tonnage)

	1977		1981	
	Production	Exports to CEE	% of EEC supply	Exports to EEC
I — Overseas departments				
Martinique	250 000	216 695		
Guadeloupe	115 000	105 541		
Total	365 000	322 236	16.42 %	274 045
II — ACP				
Ivory Coast	110 000	95 377	4.86 %	100 327
Windward Is.	100 000	96 350	4.91 %	104 518
				(including Grenada)
Jamaica	90 000	79 857	4.07 %	17 795
Cameroon	84 000	79 352	4.04 %	53 846
Somalia	53 000	44 071	2.24 %	20 016
Surinam	30 000	27 561	1.40 %	35 535
Grenada	18 000	14 175	0.72 %	see W.I.
Belize	10 000	8 128	0.41 %	11 210
Madagascar	5 000	4 607	0.23 %	1 053
Total ACP	500 000	449 477	22.88 %	344 300
Total ACP + OD	865 000	771 613	39.30 %	618 345

bex payments. Protocol 6 of the Convention deals with bananas.

There are, then, 11 ACP banana producers (1). The tonnage they produce and export is set out in the table opposite, which gives the figures for 1977 and 1981. I have completed the information by adding the figures for banana production and exports from the French overseas departments (OD).

As the table shows, ACP banana production in 1977-81 was 500 000 tonnes (round figures), 450 000 t of which were exported to the EEC, accounting for 23 % of Community consumption. With the 322 000 t which the OD sold the EEC, we reach a total of 771 613 t in 1977, more than 39 % of Community consumption. The Community has 18 major suppliers (i.e. more than 10 000 t each), including two OD and the other eight ACP countries. Here are one or two figures to show how important banana production is. In 1977, the industry (up to the point where the fruit was loaded on board ship) brought the producing countries \$ 200 million (\$ 100 m for the OD and \$ 100 m for the ACP countries). It is the principal resource of the OD and the Windwards. Banana palms cover 66 000 ha and the plantations provide 100 000 direct jobs and as many indirect ones.

(*) Chairman of the Groupement d'Intérêt Economique Bananier (GIEB), France.

(1) There are some other countries—Cape Verde, Western Samoa and Tonga—producing a fairly restricted amount which is exported to places other than the EEC.

A preoccupying trend

These figures clearly show the ACP place in Community supplies and the importance of the banana industry to the ACP group. Unfortunately, as a look at trends in production over the past few years shows, there was a worrying drop of more than 100 000 t between 1977 and 1981, bringing ACP banana exports down from 450 000 t to 344 300 t and their share of the Community market down from 23 % to 18.5 %.

This is a serious decline and cause for concern. It is not critical, however, because the Community's consumption has dropped by 103 000 t and seven ACP countries are still among its 15 biggest suppliers.

It would be a mistake to believe that waning consumption is due to the drop in the production of the Community's suppliers, as the EEC is free to change supplies — and indeed does so. On the contrary, I should say that it is the stabilization of European consumption that discourages producers from making what are increasingly risky investments. But let us take these ACP producers and look at them one country at a time, as each is a special case and poses different problems.

First, those which have returned to normal production. Surinam, for example, has maintained an output of 35-40 000 t. The Windward Islands, which felt the pinch with the hurricanes of 1979-80, have got back to the already satisfactory level of 115 000 t. And Belize, which is expanding year by year in spite of its problems, has reached 10-12 000 t.

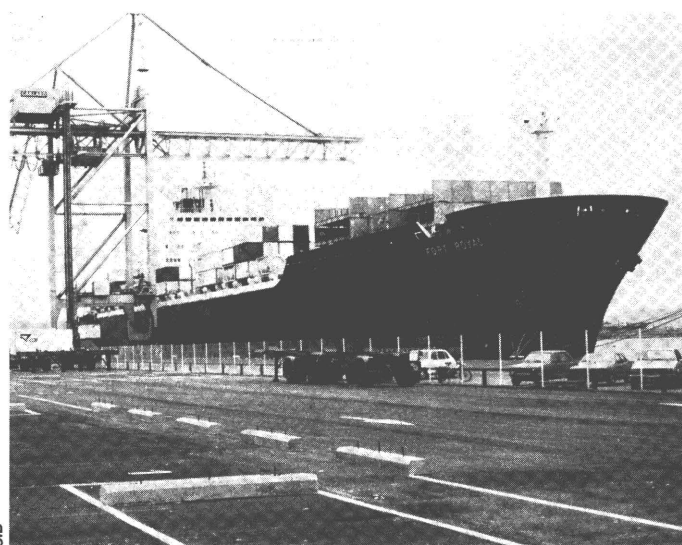
At the other end of the scale, there are two countries which have slipped badly. Somalia, which produces three times less than it did 10 years ago, now only exports 21 000 t. It has had a large amount of Community aid in the past and its geographical situation enabled it to be the regular supplier of the countries of the Gulf (Saudi Arabia in particular), where consumption is getting quite large. Ecological conditions are excellent, but the political situation is difficult. Recovery is possible, but the current domestic situation seems to be a problem.

And then Madagascar has not managed to get its banana industry off the ground and cannot even fill its small quota for the French market.

That leaves three major producers which warrant closer inspection. Jamaica first. At the beginning of the century, this island was one of the biggest producers in the world (with 360 000 t) and Europe's major supplier. But since 1966, for more than 15 years that is, production has been on the decline. There have been hurricanes and drought, the labour force has been wooed by the secondary and tertiary sectors and unattractive prices have driven the planters to other crops. A substantial amount of EDF aid (\$6 million) has done nothing to halt the downhill process and the 1981 output was only 18 000 t.

Recovery is possible

Although this may be cause for pessimism, there are three reasons why recovery is on the cards. First, the ecological conditions of production are excellent and the plantations could be less piecemeal. Second, the sales



Containers loaded with bananas at Le Havre. ACP banana exports to the EEC fell by 100 000 tonnes between 1977 and 1981



Bananas play a crucial role in the economies of a number of ACP countries, especially in the Windward Islands

organization on the British market is still sound and efficient. And third, a rescue plan has been introduced, with the help of the United Brands Company; if this is a success—and we have to hope that it is—production will go up to 100 000 t in 1985-86.

The other problem countries are the two African producers, the Ivory Coast and Cameroon. Take the Ivory Coast first. Banana production in this country, which peaked in 1972 with 160 000 t and then came down to around the reasonable figure of 130 000 t, enabled it to meet its monthly quota for the French market (which added up to 100-110 000 t p.a.). Natural surpluses in the winter months were placed on foreign markets, more particularly around the Mediterranean (Algeria and Italy) on the regular shipping route between Abidjan and Marseilles, the Ivory Coast's port of entry into France.

A run of poor weather led to a certain drop in production after 1978, but a relaunch plan was on the drawing-

board and a 130 000 t target looked like being achieved with little delay.

Optimism for the Ivory Coast...

In 1982, excessive rainfall in June led to catastrophic flooding and this destroyed something like 1300 ha of plantations in the Agneby valley and the Azaguié region, causing an immediate loss of 30 000 t or so of bananas. Replanting costs are very high and Cofruitel, the producers' cooperative, is currently negotiating with the government to get loans at reasonable rates of interest so the devastated areas can be recovered. So a further drop in Ivorian production is to be expected for 1982 and 1983 too, as it now seems that things will not be fully normal by the spring.

However, if, as it is hoped, the cooperative's schemes bear fruit and the vital replanting can be done in the coming months, the 1984 yield should be beyond the 100 000 t mark and the 1985 figure up at the target level of 120-130 000 t, where it ought to stabilize. So it is reasonable to be optimistic about the country's future.

... and for Cameroon

And what about Cameroon? First of all, exports, which reached 130 000 t in 1958, dropped to 44 000 t in 1965 for three reasons — domestic problems, a change over to different varieties and the phasing out of individual plantations. But an effort by the planters and the country's banana board brought production back up to 90 000 t in 1977, a realistic target reflecting profitable markets.

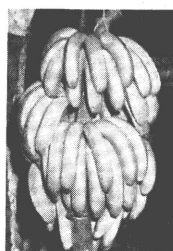
Then came a slump, particularly bad in 1980 and 1981, because of abnormally long and harsh dry seasons, culminating in devastating winds. So the plant cycle fell behind, the hands of bananas were too light and the yield dropped drastically.

On top of all this, there was a virulent outbreak of cercosporiosis in 1978, which took until 1980 to deal with. This brought financial disaster for the producers and, as a secondary effect, upset the organization of the shipping services.

The government is well aware of the socio-economic importance of banana production and therefore keen to do what it can to improve the situation. Large sums have been released to ensure that all the plantations get the input they need and that some of them get complete redevelopment. A generalized irrigation plan is now being studied and it would be reasonable to think that Cameroon will have got its production back to the 1977 level by around 1985.

In conclusion, remember to just what extent our ACP banana producers were tried by repeated catastrophic climatic conditions between 1978 and 1981 — although private enterprise and financial support from the authorities have combined in a drive to recover.

Logically, ACP plus OD production should be up at the 1977 level of 800 000 t by 1985, regaining its 40 % share of the Community banana market. This is a realistic and reasonable forecast. ○ R.L.



The EEC banana market

by Henri GUIGNARD (*)

1. IMPORTS AND CONSUMPTION

What is the EEC's place in the international banana trade?

The world market

World banana production is an estimated 25 million tonnes. But in most of the tropical producer countries (in the Far East, India and South America) the plantain variety is eaten as a vegetable and the international trade in the varieties eaten as fruit conceals barely a third of production — the southern hemisphere sells 7 million t to the northern hemisphere, for the considerable sum of about US \$ 1 750 million.

The Community market

The Community plays a vital part in the banana trade. It was the biggest importer in the world until 1978, when the USA overtook it. But Community imports still account for a quarter of world trade, as table 1 shows.

Table 1

('000 t)	1973	1977	1980	1981	73/81
World imports	6534	6646	6856	6936	+ 6.15 %
EEC imports	2105	1962	1825	1862	-11.54 %
US imports	1743	1930	2147	2283	+31.00 %
Japanese imports	931	814	726	708	-24.00 %
Other imports	1755	1940	2158	2083	+18.70 %

World consumption is growing slightly but constantly, pulled along by US consumption, the progress of which is remarkable. Japan's consumption, on the other hand, which went past the 1 million tonne mark in 1972, has fallen badly behind, while Community consumption is dropping noticeable too.

EEC imports

Note, first of all, that when the Community enlarged to nine in 1973, imports stood at more than 2 million t. After a slight decline in 1974-76, they improved, returning to the earlier level in 1978. But this was short-lived and imports fell again in 1979-81, as the statistics show.

(*) The author is a retired French civil servant with lengthy experience of France's overseas departments, and in particular of banana problems. He was also an FAO expert at the discussions on an international banana agreement.



A greengrocer in France. Each European consumes on average 7.12 kg of bananas a year

Table 2

-Year	Tonnes	% difference over previous year's figure	% difference over 1973 figure
1973	2 098 003		
1974	1 979 026	-5.6 %	- 5.62 %
1975	1 917 520	-3 %	- 8.48 %
1976	1 855 720	-3.3 %	- 11.53 %
1977	1 961 967	+5.7 %	- 6.48 %
1978	2 045 362	+4.2 %	- 2.52 %
1979	1 974 488	-3.5 %	- 5.90 %
1980	1 825 465	-7.5 %	- 13.00 %
1981	1 862 453	+2 %	- 11.22 %

It will be noted that the downward trend is a general one, but table 3 shows that the fall-off varies considerably from one country to another.

It is insignificant in France, beginning to be serious in the Netherlands, Belgium and Luxembourg, worrying in Italy and Germany and worse in Denmark. The UK and Ireland are the only EEC countries unaffected and making progress.

The regression, which is easy to explain, can be put down to a number of things—supplies were hampered by a variety of disasters which destroyed all or part of the produce of America and Africa, and there were far-reaching changes in the market (smaller population growth, departure of migrant workers, competition from new desserts, the general consumer crisis, etc.).

In addition, there were two major causes:

- a rise in banana prices following large wage increases in Latin America, new export taxes and higher production and freight costs. The overall increases has been higher than the increase in European wages.
- A rise in the exchange rate of the US dollar, the currency used in the banana trade. A drop in 1971-79 brought down the fob price to the benefit of imports. But the rise since 1980 has pushed up the price considera-

bly, to no advantage to the producer and to the detriment of the consumer.

In Germany, for example, one kilo of bananas went up from DM 1.47 in 1978 to DM 2.21 in 1981, a 50 % increase in three years.

Bananas are losing their competitiveness on the fruit market, in particular to fresh fruit grown in the temperate countries. It is easy to see that, with exchange rates as they are, the two markets in the most comfortable position are the French and the British, which benefit from domestic and associated input which is paid for in national currency.

Per capita consumption

A knowledge of per capita consumption makes for a more precise approach to market trends.

Between 1973 and 1982, the annual banana consumption of the average European dropped overall, from 8.17 kg in 1973 to 7.12 kg today. This is clear and significant. However, although the figure is lower than the American average (10 kg), it is far in excess of the average Japanese intake (6 kg) or that of the East European (ranging from 200 gr in the USSR, through 600 gr in Poland and 1600 gr in Hungary, to 5 kg in East Germany). Five EEC member states (see table 3, column 7) consume more than 8 kg per head p.a., a considerable amount bearing in mind the plentiful local fruit (redfruit, apples, pears, grapes and so on), and only the countries with no opportunity for national input (Singapore, Libya, Chile, Austria, Canada, etc.) consume more than 10 kg.

II. THE EEC'S SUPPLIERS

The Community is very faithful to its traditional banana suppliers, of which, in fact, there is only a small number. There are 14 of them, unchanged, apart from shifting positions, since 1973.

First look at the leaders, the four or five stalwart suppliers exporting more than 200 000 t each. But the range is shorter now and, although Costa Rica is still in the lead, Panama and France (which was in the lead in 1977) are close on its heels.

Ecuador seems unable to stop its decline, but Colombia is making spectacular progress. The five leaders between them account for more than 70 % of Community supply, an enormous figure.

Then comes a trio of very important suppliers, the 100 000 t plus group comprising Honduras, the Windwards and the Ivory Coast, displaying considerable stability; their figures are much as they were in 1973 but slightly higher for the Windwards (in spite of the hurricanes of 1979-80) and slightly lower for Honduras and the Ivory Coast, which had climatic problems. Their output, combined with that of the five leaders, makes up 90 % of total imports. The Community banana market is served by virtually only eight suppliers.

The other 10 % is supplied by the third and last group containing Somalia, which is declining badly, and Jamaica, where the regression is probably temporary. Here too are Cameroon, also on the wane, Surinam and Guatemala, both doing well, and the new arrival, Belize.

Table 3 — EEC banana imports, 1973-1981 (tonnes)

	1973	1977	1979	1980	1981	Comparison 73/81	Kg per capita
Germany	676 016	583 613	603 325	533 578	522 904	- 22.7	8.50
France	479 945	499 887	441 087	446 044	466 556	- 2.9	8.65
United Kingdom	305 395	305 128	304 819	315 410	329 456	+ 7.9	5.88
Italy	349 439	304 039	347 530	278 996	296 789	- 15	5.20
Netherlands	121 335	120 881	126 416	114 063	109 059	- 10	7.68
Belgium & Luxembourg	94 173	91 347	90 476	87 019	84 125	- 10.7	8.16
Denmark	45 607	33 148	35 736	26 240	25 250	- 44.7	4.94
Ireland	26 093	23 924	25 099	24 115	28 274	+ 0.8	8.44
	2 098 003	1 961 967	1 974 488	1 825 465	1 862 453	- 11.2	7.12

1°) Was Danish consumption in 1973 exceptional or are the figures wrong?

Either possibility would explain the abnormal decline.

2°) Greece's imports have not yet been entered.

Table 4

('000 t)	1973	1977	1981
Costa Rica	481	247	299
Panama	278	242	293
French OD	268	322	274
Colombia	63	186	256
Ecuador	324	301	206
Honduras	122	152	131
Windward Isles	96	96	104
Ivory Coast	107	95	100
Cameroon	62	79	53
Guatemala	32	30	47
Surinam	27	27	35
Somalia	63	44	20
Jamaica	111	80	17
Belize	0	8	11
12 miscellaneous countries (1)	7	3	2

(1) Note the only ones that count in this group are the Philippines (6 000 t), the Canaries (730 t) and Madagascar (1 047 t). Grenada's figures are included in those for the Windwards.

Different statuses and zones

Status-wise, there are three different groups:

- | | |
|--------------------------------------------------------------------|-----------------|
| | in 1981 |
| — 1 member state, France (OD) | } 1/3 of supply |
| — 9 associated ACP states
(including Madagascar
and Grenada) | |
| — 8 or 9 third countries
(according to size) | } 2/3 of supply |

France and the associated states (which have privileged status) accounted for 40 % of imports in 1972 and their regression increases the share of the third countries, which now supply two-thirds of the market.

It is usual to produce a table, taking account of both legal status and geographical area, to show downward and upwards trends in supply. It is as follows:

Table 5 — Percentage of total supply

	1973	1977	1981
Central America	44.16 %	34.24 %	41.37 %
South America	18.40 %	24.80 %	24.81 %
France OD	13.20 %	16.42 %	14.70 %
ACP	22.52 %	22.90 %	18.45 %
Various	1.72 %	1.64 %	0.67 %
	100.00 %	100.00 %	100.00 %

South America's progress is due to the Colombian increase.

The ACP decline reflects the situation in Somalia and Jamaica.

The decline of Central America is due to the decline of Costa Rica.

France is maintaining its share of the Community market, which could or should be split as follows in the future:

- 35 % of production from the Community or associated countries;
- 65 % from third countries.

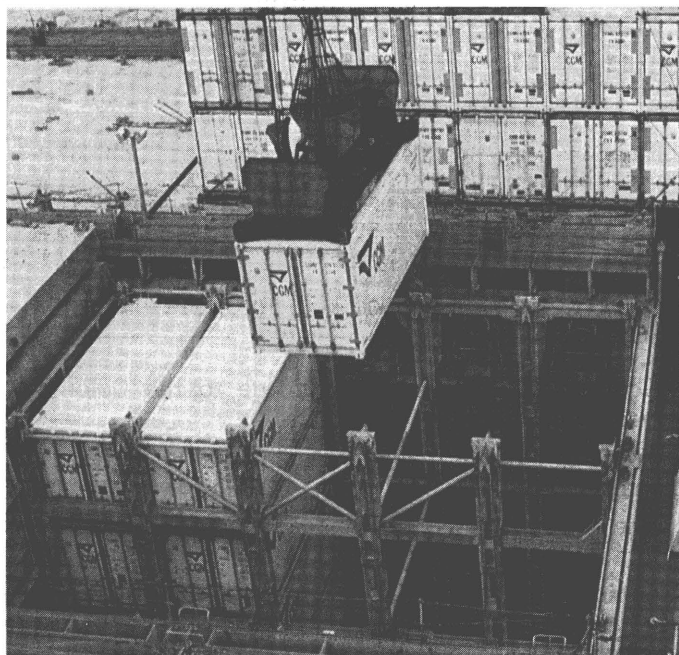
III. BANANA PRICES IN THE EEC

For the last 10 years or so, the FAO has been monitoring world banana price formation and trends very closely.

A recent study (CCP:BA 82/4 March 1982), which is based on the best private and public sources of information, provides a valuable summary of the cost price from planting to loading on board ship, establishing the pro-



The shipping of bananas in containers preserves the quality of the fruit better and reduces freight costs, but it involves major port conversion



duction costs and what the planter receives, and from the port of unloading to the retailer's shelf, recording the margins and successive prices in the marketing process.

This is a source of particularly reliable and interesting information for the EEC and we print the basic commercial data from it here.

Price formation – origins, duties and taxes

Federal Germany, like the whole of Northern Europe for which goods come through its ports, gets its bananas

from Latin America. The French and British markets, on the other hand, get the bulk of their supplies duty-free from the overseas departments and the associated countries in Africa and the Caribbean. A 20 % customs duty has to be paid on third country bananas (except in Germany, which has a bigger quota). Italy gets its bananas from many places, but there is a heavy consumer tax of lire 350 per kg on them. Each EEC member state (except the United Kingdom) levies VAT, which varies between 4 % in the Netherlands and 20.25 % in Denmark.

The diversity of sources of supply, of taxes and of levies explains the major differences in price formation on the four main Community markets.

Table 6 – Banana price formation, 1981

US \$ per tonne

	Germany	France	UK	Italy
Purchase price fob	210 (1)	384 (2)	270 (3)	210 (1)
Freight costs	156/165	150	294	190
Unloading costs and duties	28	56	50	420
Gross import margin	12 to 27	18	21	13
Gross ripening margin	96 to 135	172	230	120
Retail margin	314 to 345	340	468	570
Retail price	850 to 950	1120	1333	1500 to 1600

(1) From Latin America.

(2) From the OD.

(3) From Jamaica.

Production price and fob price

The considerable difference in fob prices is due to two essential things—wages and agricultural yield.

One day's agricultural labour (including social contributions) currently costs:

- US \$ 13-15 in South America and the Caribbean;
- US \$ 15-20 in Central America and Africa;
- US \$ 34 in the French overseas departments (Guadeloupe and Martinique).

The average agricultural yields are:

- very high in Central America (more than 40 t per ha);
- high in South America (30-40 t per ha);
- average in the Caribbean (20-40 t per ha);
- poor in Africa.

So at fob stage, the cost prices are:

- \$ 190 in South America;
- \$ 260 in Central America and the Caribbean;
- \$ 340 in the OD.

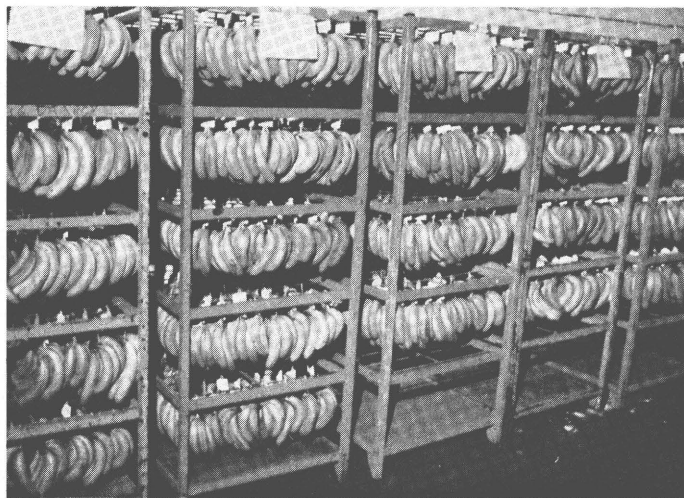
This is why German and Italian importers get their bananas in South America at \$ 210, the British in Jamaica at \$ 270 and the French in the OD at \$ 384.

If we have insisted on this particular fact, it is because it was the starting point for all the difficulties involved in

trying to rid the Community market of its tariff barriers and quotas. We shall return to this.

Consumer prices

It is the consumer in northern Europe—Germany, the Netherlands and Benelux—who gets the cheapest bananas. The fruit costs most in Italy, where it is subject to heavy taxes that treble its import price. The United Kingdom has relatively high prices because of particularly onerous freight charges and a large ripening margin. France organizes its market closely, strictly monitoring the balance of supply and demand and reducing commercial risks to the minimum so as to keep the margins down in the intermediate stages. This enables it to offer a fair price to the producer and a satisfactory price to the consumer.



Before being sold on the market, the bananas have to be ripened

Production prices and consumer prices

The formula $\frac{\text{retail price}}{\text{fob}}$ expresses the multiplying factor between the price paid to the producer and the price to the consumer. This coefficient is 2.92 for the French market, 4.04 in Germany, 4.93 in the United Kingdom and 5.36 in Italy.

This confirms what we have known for years—that the French organization of the market makes for the best relationship between production price and consumer price.

IV. LEGAL STATUS OF THE COMMUNITY BANANA MARKET

The present situation of the Community banana market is complex. An exhaustive investigation of the problem is beyond the scope of this article, which is confined to a succinct outline.

In six of the member states (Germany, the Netherlands, Belgium, Luxembourg, Denmark and Ireland), there are no banana import quotas. In Italy, however, there is an overall quota. Import licences are required in the United Kingdom for bananas from third countries (the dollar

zone) and in France for fruit from outside the franc zone. Lastly, Greece has a system of import licences.

The restrictive policies of these last four countries contribute to limiting the movement of third country bananas from the free market and those from the associated countries as well—which is counter to the spirit of the Treaty of Rome. As we saw earlier, there is no way the OD and the ACP countries can cope with competition from third countries. And France feels its quota is justified as it protects its producers.

Meanwhile, protocol 4 of Lomé II provides undeniable rights to the ACP group: "...no ACP state will be placed, as regards access to its traditional markets and its advantages on those markets, in a less favourable situation than in the past or at present."

Towards a solution

In the 1970s a solution was outlined that would bring the markets into line with the principles. It quite simply involved bringing in Community preference—via the EAGGF or the introduction of a levy, or a combination of both. The German protocol would have been dropped and the CCT reduced to a symbolic level. The proposal was unanimously rejected. Some officials refused to entertain a large increase in the price of a cheap, popular fruit and others objected to the very heavy financial costs. So a comfortable, general consensus established a status quo that was every bit in keeping with contrasting national interests but very far from Community principles.

This status quo, let us cynically point out, makes everyone happy. But the lawyers of the Court of Justice are unable to recognize it and four markets, representing upwards of 1 million tonnes, are no doubt triggering off complaints and greed. So it seems both urgent and necessary to look for solutions that are acceptable to all but in conformity with the Community spirit and the Convention of Lomé II.

The aims and the prior conditions are as follows. The national markets have to be liberated. However, each EEC member state should keep control over arrivals of third country consignments in free circulation, but in the way laid down in article 115.

Nothing should prevent the free movement of bananas from the associated countries. But this free movement may be counter to the provisions of the Lomé banana protocol and the advantages it guarantees, in which case, recourse could be made to article 115.

The German market, with its tariff quota, should thus stay cut off. Some member states suggest that any untoward perturbation of the market could be eliminated by prior authorization of import applications.

The negotiations will be difficult. As things stand, the divergent interests of the producers and the trade and of the third countries, the OD and the associated countries, are balanced and protected.

A change in the system could open the way for speculation, imbalance and disastrous consequences for the Community producers, so the greatest care is called for and everyone involved must be well aware of the responsibility he bears. ○ H.G.

EEC banana imports ⁽¹⁾ 1981

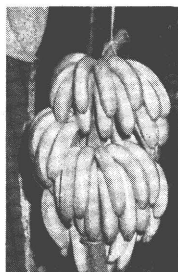
Tonnes

Source : FAO

	Germany	France	UK	Italy	Netherlands	BLEU	Denmark	Ireland	Total	Position 1981 1980
Martinique	1	146 742	8 531	3 820					159 094	
Guadeloupe		113 525	1 020	362					114 907	
France						44			44	
Total France			15 000						274 045	3 6
Ecuador	73 444	6 654	(1) 12 000	45 223	17 227	19 569	1 222	15 679	206 018	5 3
Costa Rica	149 467	12 197	22 000	72 119	22 018	8 600	12 578	36	299 015	1 2
Panama	164 697	6 659	15 000	46 290	27 411	25 411	25 639	7 454	293 150	2 4
Colombia	59 761	25 192	88 000	42 654	19 815	8 043	826	11 852	256 143	4 1
Honduras	70 170	2 853	7 000	13 952	18 447	16 253	2 295	122	131 092	6 5
Windward Is.			104 140	378					104 518	7 8
Ivory Coast	43	90 491	60	9 693		22	18		100 327	8 7
Cameroon		49 993	2 960	893					53 846	9 9
Guatemala	4 980	8 017	3 000	24 425	3 462	2 694	654		47 232	10 10
Somalia				20 016					20 016	12 13
Surinam			21 830	13 705					35 535	11 11
Jamaica			17 655		19	121			17 795	13 12
Belize			11 210						11 210	14
Philippines		3 182		2 747					5 929	15
Madagascar		1 053							1 053	16
USA					74	126		70	270	
Canaries	292		50		240		145		727	
Italy		25			27				52	
Netherlands		10						79	89	
Germany					84	31			115	
BLEU					22	2 852			2 874	
Misc.	49	2		512	213	131	58	436	1 402	
	522 904	466 595	329 456	296 789	109 059	84 125	25 250	28 274	1 862 453	

(1) Provisional figures. The figures for the United Kingdom were not available.

The official statistics for Italy show a 20 000 t discrepancy with the trade figures which we have used.



An international agreement?

What happens with such products as coffee, cocoa and sugar is happening with bananas too: banana producers are joining together, often at national or regional level, to defend their interests and share the cost of such things as research and trade promotion. Producer associations on Dominica, St Lucia, St Vincent and Grenada, for example, have formed Winban, the Windward Islands Banana Growers Association. The same structure occurs in the Union of Banana-Exporting Countries, which comprises Panama, Honduras, Costa Rica, Guatemala, the Dominican Republic and Colombia. And sometimes producers on a particular market get organized, as has happened in France, where representatives from the Ivory Coast, Cameroon and the French Caribbean sit alongside delegates from other sectors of the industry on the CIB (Comité Interprofessionnel Bananier) banana board (see interview on page 85).

As in the case of the other products mentioned, this corporate action has extended to various international organizations, the FAO and UNCTAD in particular; and it has led, at government level, to an attempt at regularizing the markets and producing an international agreement involving both producers and consumers. An agreement such as this would, by rationalizing production, ensure a proper balance of supply and demand and mean regular supplies for the importing countries at remunerative prices for the producing countries. And lastly, it should mean that banana consumption can be developed on new markets.

A working group, convened, at the exporting countries' request, by the FAO director-general to try to draft an agreement, has met three times. FAO documents (1) on the subject suggest that there was a consensus on a number of points. It was clear, for example, that the first thing to do was agree on the nature of the banana industry's problems and how they should be solved. There was also agreement on the need to achieve a balance between supply and demand, which would involve harmonizing production and export targets.

Many believed that the seventh session of the inter-governmental banana group, which met in Rome in April 1980, would add the final touches and announce the conclusion of an international agreement. But the discussions broke down because of two essential differences of opinion, one on the stabilization of the market (particularly the definition of export quotas, which some people found too restrictive) and the other on the gradual lowering of trade barriers (which could be fatal to countries with high production costs). So for two years, no progress has been made.

The efforts deployed at international level have resulted in little more than bananas being included on the

list of 18 products in the UNCTAD integrated programme. UNCTAD has defined general criteria for banana projects being submitted for financing from the second section of the common commodities fund. These projects, some of which are very complex, depend on how the common fund, the future of which is still uncertain, develops.

Yet rarely have there been such good grounds for international action. Many producers have seen their yield drop through natural disasters and their situation is critical. Prices, in spite of recent rises, have been dropping constantly in real terms. Will UNCTAD VI, which will be meeting in a few months, provide the occasion to take another look at the banana issue? ○ A.T.

ACP producers' organization

Under Lomé I, the ACP banana producers tried to set up an organization that would enable them to get the maximum advantage from protocol 6 annexed to the Convention. This protocol does not just guarantee maintenance of the conditions of access to the Community for ACP products. It also provides for joint action on the development of exports to the traditional markets and the opening of new outlets.

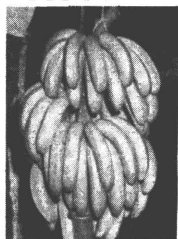
Initially, the ACP action consisted of producing a memorandum stressing the decline in their share of EEC supplies and calling for the implementation of the protocol, particularly the sections on winning new markets and investing in the banana sector. That was in March 1977. A few months later, in July, ministers met in Douala (Cameroon) to discuss the whole banana issue. Representatives from Cameroon, the Ivory coast, Somalia, Jamaica, the Windward Is. (Grenada, St Vincent, St Lucia and Dominica), Zaire and Uganda decided to tighten their cooperation and work for greater coordination in marketing and research. They also recommended—and this was their main conclusion—that an ACP banana exporters' organization be set up.

Further meetings were held to discuss the various implications of an organization of this kind. They also had to look at the problems Somalia was encountering on the Italian market on a number of occasions. Ultimately, in April 1980, the statutes of the future organization were ready.

But since then, nothing more has happened. Perhaps the ACP countries have recoiled from the costs of yet another organization; this no doubt has something to do with the fact that this particular project has been put on ice. And then, after that period, many members of the ACP group saw their production problems deteriorate, so they had more immediate national difficulties to deal with.

In addition to all this, each of the ACP banana-producing countries has traditional trading arrangements which could well suffer, as some people fear, from joint action and this means that the constitution of such an organization is a matter of less urgency.

One thing is sure: the negotiations for renewal of the Convention will be an opportunity for the Community and the ACP group to talk bananas. They begin in the autumn. ○ A.T.



Bananas in Rwanda

by Robert CARREAU^(*)

Bananas are Rwanda's only permanent, traditional crop. They take first place in importance of production and play a major part in the country's social system.

The banana in figures

The following details confirm the importance of this fruit.

— 21 % of the area under cultivation (210 000 ha of a total 1 million ha) is used for bananas, which are second only to beans (240 000 ha).

— 50 % of the weight of food production is made up of bunches of bananas (2 million t of a total 4 million t). The gross value of this production represents 30 % of the value of the primary agricultural sector (RF 15 000 m of a total RF 50 000 m) and three times the value of export crops (coffee, tea, etc., worth RF 5 000 m). Bananas are Rwanda's first commercial product, contributing more than 40 % of the farmers' first cash income, whereas coffee, the largest actual cash crop, only accounts for 15 %.

More than 90 % of the crop is used to make banana beer and this is the main craft activity in the agro-food sector, producing almost 600 000 t, worth FR 18 000 m (60 % of the value of production in the agro-food sector) every year. Nutritionally, the banana's contribution is only 15 % of energy intake after the vinification process.

Let us now look at the quality of Rwanda's banana production.

Bananas — part of the country's civilization

It is difficult, impossible even, to imagine Rwanda with-

(*) The author is adviser to the EEC delegation in Rwanda.

out its banana palms, which are such a typical part of the scenery. The first job the farmer has to do when setting up his farm is to plant his bananas, standing for his right of ownership, as a sign that the land is permanently occupied. The size of his banana plantation is just as much a sign of wealth as the number of his cows.

Great care is taken of the banana plants and the main varieties grown—*Intuntu* and *Intokatoke*—have been chosen because they produce good quality beer. The cooking varieties—*Inyamunyo* and *Ingenge*—are grown right across the country, but represent a very small percentage of the total crop. Sweet bananas as we know them in Europe, *Gros Michel* and the *Chinese dwarf*, for example, are still only marginal, but being developed rapidly around the city centres.

The banana plants, the pride of the farmer, are thus mainly used to produce home-made beer, a reflection of the know-how of the maker. And what happens to the beer? It is used primarily for the festivals and big events of the people's social life. It is given to friends to wish them welcome, to the influential before they are asked favours and to anyone as a token of thanks. And discussions are closed around a jug of beer as a sign of reconciliation.

Beer is a recompense for communal agricultural labour and no celebration is complete without it.

To conclude, then, in Rwanda, bananas are not just another crop. They are part of the country's heritage. But banana growing will have to develop and come into line with the profoundly changing system of agricultural production. ○

NB. The government has set up an industrial banana development and diversification office, Ovibar, so as to make for better capitalization on and diversification of the use of this major production—banana juice, banana wine, banana flour, etc.

Banana beer traditionally plays a very important part in the pre-marriage period, too. Acceptance of a jug of beer confirms the agreement of the two families when someone's hand has been asked for in marriage. The gesture is repeated at precise intervals afterwards to strengthen



Typical Rwandan countryside of hills scattered with banana trees

the ties between the two families, and the fiancée herself gives official consent by drinking beer from her young man.

These few examples show the social importance surrounding the banana beer cult and explain why the peasant farmers take so much care of their banana plantations.

Problems

Given the challenge of the population and the food supply, linked to the situation as regards the availability of new land, what is the future of this important resource? Rwanda's banana plantations are the focus of its rural economic and social life.

This country has a population of 5.2 m, 95 % in rural areas, growing at the rapid rate of 3.7 % p.a. (so there will be twice as many people, more or less, by the year 2000). It already has the exceptionally high population density of 400 people per km² of its arable land, which is broken up into small, mixed farms, usually of an average 1 ha including a small banana plantation.

The major problem, bearing in mind the scarcity of land, is preventing the banana plantations from being over-developed to the detriment of the other food crops and export crops (coffee, tea, pyrethrum and quinquina, accounting for 5 % of the land under cultivation).

But bananas do more than fulfil a social function. They in fact ensure good, regular earnings. The plants also provide good cover, help conserve the soil and constitute an important source of food on the smallholdings in periods of drought.

So the problem of bananas is more than just a problem of beer—which could gradually be replaced by industrial beer as the market economy develops.

In this complex context, the government has taken a number of steps to halt the extension of the banana plantations and make more capital out of the bananas produced. It has introduced:

Legal measures

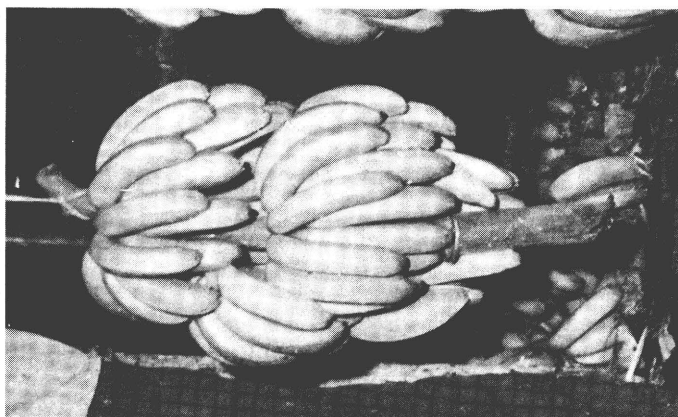
- Banana plants must not cover more than one sixth of the holding and one quarter in the better areas (Bugoyi, Gisaka, the shores of Lake Kivu and Kinyaga).
- Banana plantations must be at least 40 % plantains and sweet bananas (at the moment, 95 % is for beer varieties).

Agricultural measures

- The extension of banana plantations in unfavourable ecological zones (highlands over 1900 m) is being discouraged.
- Better farming methods have to be used and bananas must be included in a system of rotation.

Implementation of these measures should mean that:

- the geographical extension of banana plantations can be restricted;
- the average yield per ha can be increased (from 9 to 11-12 t per ha);
- better use can be made of bananas for food purposes. ○ R.C.



The Lomé Convention's banana protocol

"The Community and the ACP States agree to the following objectives for improving the conditions under which the ACP States' bananas are produced and marketed, and agree that appropriate measures will be taken for their implementation:

Article 1

As regards its exports of bananas to the markets of the Community, no ACP State will be placed, as regards access to its traditional markets and its advantages on those markets, in a less favourable situation than in the past or at present.

Article 2

Each of the ACP States concerned and the Community will confer together in order to determine the measures to be implemented to improve conditions for the production and marketing of bananas. This aim will be pursued by using all the means provided for in the context of financial and technical co-operation. The measures in question will be designed to enable the ACP States, particularly Somalia, account being taken of their individual situations, to become more competitive both on their traditional markets and on the other markets of the Community. Measures will be implemented at all stages from production to consumption and will cover the following fields in particular:

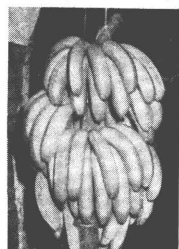
- improvement of production, harvesting, handling and internal transport conditions,
- trade promotion.

Article 3

For the purpose of attaining these objectives, the two parties agree to confer together in a permanent joint group, assisted by a group of experts whose task will be to keep under continuous review any specific problems arising from application of this Protocol in order to suggest solutions.

Article 4

Should the banana-producing ACP States decide to set up a joint organization for the purpose of attaining the objectives of this Protocol, the Community will support such an organization and will give consideration to any requests it may receive for support for the organization's activities which fall within the scope of regional schemes under the heading of financial and technical co-operation."



The EEC and ACP banana production

Community aid in the banana sector has consisted, to a large extent, of guaranteeing maintenance of export earnings to ACP countries which depend on this crop. Under Lomé I, transfers for bananas made to the ACP group under the Stabex system totalled ECU 2 920 422, i.e. 0.7 % of the total (Dominica, not having gained independence at that stage and therefore not an ACP country, is not included in the figures). It may be noted that some ACP countries which benefited from the export earnings stabilization system do not sell their bananas to the Community. These countries are Cape Verde, Tonga and Western Samoa, each of which has its own traditional markets.

In addition to income stabilization, the various EDFs have underwritten a number of projects to develop banana production, in some cases to meet local demand.

In Gabon, for example, the Community (2nd EDF) financed the development of two plantations — a 200 ha one at Lambaréné and a 50 ha one at Franceville, with the aim of producing, during normal operation, 7000 t bananas for towns in Gabon. This project, which also involves creating two orchards and a pineapple plantation, cost ECU 1 710 000 (ECU 110 000 as a grant and ECU 1 600 000 as a special loan).

A model farm project in St Lucia combines bananas with other fruit. This scheme cost ECU 1 238 m (ECU 860 000 of it as a grant) and was financed under the 4th EDF.

In Senegal, the 4th EDF financed a fruit production scheme for ECU 4 563 000. This involved planting 243 000 banana plants in Casamance and Nyayes to meet local demand. Mangoes and pineapples were also grown.

In Somalia, one of the main ACP banana producers, the Community has provided assistance with various problems. In 1967, for example, the 2nd EDF contributed

ECU 541 000 to the purchase of 3840 t of nitrogen fertilizer to cope with the financial and credit problems the planters had been faced with since the Suez Canal closed. A few years later, the National Banana Board got an advance of ECU 5 445 000 to cover extra expenditure attendant on rising freight costs, more expensive fertilizer and higher packing bills. The EDF also financed two studies, on a marketing problem (ECU 3000) and transport problems (ECU 2000).

A study was also financed in Cameroon under the 2nd EDF. It covered banana production and cost ECU 67 000. Some other projects, particularly fruit projects, also include bananas on occasion. Take the example of the following two projects (4th and 5th EDF).

Jamaica: A special loan of ECU 3 067 000 was approved in March 1977 with the aim of developing an 800 ha banana plantation to produce fruit for export. The project had its teething troubles because of a soil problem, the lack of some inputs and the inadequacy of certain of the technical services between 1977 and 1980. This was made worse by hurricane Allen in August 1980, when everything was destroyed.

The project was started up again in 1981 with technical assistance. The area under cultivation is now only 424 ha, where there were 800 ha in 1977. The situation is improving thanks to better management techniques and good supplies. The project exported a total 1477 t of bananas during the first half of 1982, 13 % of the country's total banana exports over this period. But the project still has lower productivity than anticipated and losses remain high.

Windward Isles: The aim of this regional project (grant of ECU 300 000 from the 5th EDF) is to combat disease which threatens the production of bananas for both domestic consumption and export. Although the threat is greatest on Grenada, it still has to be taken into consideration on the other Windward Isles too.

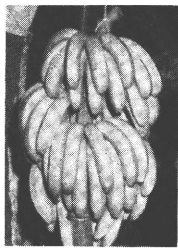
Winban, the Windward Isles Banana Producers' Association, is in charge of the project, which will be implemented with technical assistance from IRFA, France's fruit and citrus fruit research institute. ○

P. Christiansen (1) and A.T.

(1) EEC Commission official.

Stabex transferts (bananas) (in ECU)

	1975	1976	1977	1978	1979	1980	1981
Africa							
Cape Verde			347 712	429 500	429 352	214 764	
Somalia	1 296 907					1 423 385	949 211
Caribbean							
Dominica					2 892 944	2 527 944	
Jamaica						3 238 995	
St Lucia						1 349 538	
St Vincent						913 286	
Pacific							
Western Samoa			99 313				
Tonga		72 719		244 919			



The French market

"We prefer quality to quantity"

Interview with Victor SABLÉ

After Germany, France is the second largest market in the EEC for bananas. It is also, as a result of its overseas departments of Martinique and Guadeloupe, the only European producer of bananas. It was to protect these Caribbean producers, and those in Africa in the then French colonies of Cameroon, Guinea, Ivory Coast and Madagascar, that France decided some 50 years ago to organize its market.

The body which was given this task was the Comité Interprofessionnel Bananier (CIB) which has been chaired for 27 years by Victor Sablé. A Martinican, Mr Sablé has been a member of the French national assembly since 1958 and is currently a member of the European Parliament's development committee. In the following interview he begins by explaining why the CIB was created.

► *Why is there a French banana board, the CIB?*

— If the Comité Interprofessionnel Bananier exists, it is because there is a real need for it.

Back in 1932, French banana producers had to get together and agree to synchronize their consignments and harmonize their prices if they were to supply their own, expanding market and defend their interests from serious threats. Remember that bananas come from many foreign countries as well as from Africa and the Caribbean, all of them a long way from each other and

from the French market. Distribution, too, was a complex matter, with all the sea freight, overland transport and handling companies and the importers, the ripeners and the wholesalers and retailers.

Centralization of all the data on supply and demand, and the coordination and concertation of all the parties involved, was absolutely vital. This gave good reason for setting up the board.

In the space of 50 years, the CIB has devised machinery for balanced and responsible operation and gradually made the rectifications that experience suggested were necessary. The finishing touch to this already remarkable organization was the addition of two complementary bodies—the CIB restricted committee in 1970 and the GIEB (the banana economic lobby) in 1980.

► *How is it that bananas are one of the cheapest kinds of fruit on the French market, regardless of the distance of the sources of production, the cost of sea freight and the ripening period?*

— There are two reasons for this. First, there has been a threefold revolution in banana production and the banana trade since the 1950s. Second, the market has been properly organized.

The first of the three technical revolutions was in packaging. They used to transport whole bunches of bananas on the stalk in straw and paper, which entailed superfluous weight, difficult handling and high costs. In 1965, we went over to small cardboard boxes which only contain selected hands of a standard size. The density of the fruit transported is thus increased considerably, with equivalent savings on the cost of freight.

Now for sea freight and banana loading and unloading. We have left the small banana boat of the 1950s, a slow and poorly ventilated vessel carrying 950 t of fruit, for gigantic container ships carrying 9 500 t of bananas in metal containers with electronically controlled refrigeration. Trans-shipment is mechanized so that damage and loss are ruled out. However, one must stress that this step forward has only benefited the Caribbean departments, as the Compagnie Générale Maritime has been able to make considerable national investments on the grounds that there is balanced traffic in both directions. Transport from Africa is still being done by traditional refrigerated vessels—as is transport by most of the international freight companies.

An idea of the savings made with containers can be obtained from the figures for freight (quayside to quayside), which are \$150 per tonne between our overseas departments and France and \$294 per t (i.e. twice the amount) between Jamaica and the UK by the old means of transport.



Victor Sablé



Packaging bananas has undergone a revolution. Stalks were once shipped whole, but today they are split into hands and packed in cartons

Decisive progress has thus been made with both cost and quality thanks to the Compagnie Générale Maritime, which has made its innovations with the support of many of the Caribbean producers.

Over this period, groups of Caribbean producers have abandoned their individual, expensive freight contracts and taken out a single freight contract with CGM, saving F30 million p.a.

A third technological change has been in ripening, which has been grouped at national market level and received considerable investments. The old-style cellars where bunches of bananas were hung up to be ripened by unscientific heating methods have disappeared, making way for modern, electronically-regulated ripening rooms where the bananas are stacked in cardboard boxes.

In two decades, we have achieved concentrated firms, simpler handling and a smaller intervention margin. Remarkable results.

The second thing to explain is the organization of the French market, which, thanks to a constant and virtually ideal balance of supply and demand, practically does away with the hazards of negotiation and attempts at speculation, and manages to reduce profit margins at every stage without affecting the legitimate interests of the middlemen.

So technological revolution and market organization have combined to compress costs between the plantation and the retailer's shelf and offset, to a very large extent, the enormous increase in energy costs, wages, social contributions and so on. I can give some figures to bear this out. At home, the price of the banana to the consumer has increased 2.75 times since 1970 and the price of fresh fruit in general by 3.51. At international level, taking 1970 as base 100, the retail price index is 265 in France, 284 in Germany and 310 in the United Kingdom.

One final comparison, and a convincing one—the FAO has calculated that, between the plantation and the retailer, prices are multiplied by 10 in the USA, Germany and Belgium and only six in France.

► *Doesn't the protection offered to franc zone bananas on the French market provide a disincentive as re-*

gards greater productivity and better quality?

— Allow me to say that I do not think protection is the right word. What we in fact have is the same system of preference and compensation as the common market uses for other agricultural produce, for cereals, sugar and fruit and vegetables in particular. Let me also remind you that Martinique and Guadeloupe, two French departments, have European-level wages (and social contributions) which are very much higher than those of their Latin American competitors on the banana market. Wages are US \$15 per day in South America and US \$34 in our overseas departments, so the farm gate prices of bananas are \$220 per t in the OD and \$150 in Ecuador or Guatemala.

Wages in ACP Africa are also higher than South American ones. So it is clear that any competitiveness is falsified and competition is ruled out. The preferential situation of OD and African ACP bananas is simply compensation for an untenable situation—like the levies which bring foreign agricultural produce into line with European produce.

Now does this preference interfere with the drive for better productivity and quality?

My answer to your previous question has already provided proof that it does not. Remember that in less than 20 years, the average yield per ha has risen from 20 to 40 tonnes. The quality of the fruit is incomparably better and there has been a remarkable effort to improve plant care, transport and packing. Production has been wiped out by hurricanes (1963, 1969 and 1980) and it has been hit by drought and tropical rains, but every time it has been obstinately revived, even at the price of heavy debt. Is this not the finest proof of the planters' courage? On the contrary, one has to realize that, without the preference system and without the organization of the market, our OD, Ivorian and Cameroonian bananas would have been eliminated and the planters ruined with no hopes of switching to something else.

► *What are you doing to improve quality?*

— Back in 1937, the CIB and the authorities drew up rules on packing and formed a controls department, a public one, thus laying the foundations for standardization. This has been refined over the years.

It is true that rules, even strict ones, have never generated higher quality on their own, which is why IFAC, the colonial fruit and citrus fruit institute (it became IRFA in 1975), started up in Guadeloupe in 1949. It invited its agricultural engineers to spend part of their time studying bananas, and the IRFA is now known throughout the banana trade. Its achievements, including beating cercosporiosis, are appreciated for what they are. Laboratory and field testing have covered the choice of cultivars for the Caribbean and African micro-climates, ecological data (temperature, light, water and wind resistance), soil requirements, treatment (establishment, size, grassing, watering and land improvements) and attacks on anomalies and diseases and improvements to transport and packing. Active, confident and positive cooperation between researchers, field engineers and planters has led to undeniable progress in all the areas I have mentioned. And we must not forget the efficiency of the control and packing departments locally and in the ports of lading or,

of course, the agro-technical service schemes run in each territory.

► *Are franc zone bananas sold on the free market? If not, why not?*

— I shall give you a very direct answer here and to make things easier I shall give an example.

At the fob stage, the Ecuador banana is sold at \$210 per t. But at the same stage, bananas from the Ivory Coast and our overseas departments, where costs are infinitely higher, have to be sold at \$380. We must be serious about this. It is obvious that no banana importer on the so-called free market (which is in fact dominated by three powerful groups organized in their own way) can afford to buy our fruit. I can see no point in saying any more. Only a world agreement of the sort the FAO suggests would be an answer to the problem—and it is the sort of answer we ourselves are very keen on.

This kind of agreement would regularize world production and adjust supply and demand. Moreover, the French market organizations would no longer be the only ones applying this method.

► *What are your sales prospects in new markets, particularly in the East bloc?*

— There is very little likelihood of the countries of the East bloc becoming an outlet for EEC-produced bananas.

This is first of all because banana consumption in these countries is tiny. In 1981, the seven countries of East Europe, including the USSR, imported just 24 000 t between them—less than Ireland and less than 4 % of world imports. *Per capita* consumption is 0.2 kg in the USSR, 0.6 in Poland and 8 kg in West Europe! And the serious hopes people used to have about these markets are declining, because imports have been decreasing for some years now; they were 12 % in 1980 and only 11 % in 1981. Yugoslavia was better than the others, with imports of 133 000 t in 1978. But unfortunately, they fell to below half this level (55 000 t in 1981, all from Panama and Ecuador as part of compensation agreements). It is only the low-cost producing countries that can hope to stay on these markets where state-trading means that socio-political considerations prevail.

The African ACP countries, Somalia in particular, would have had a slight chance in the expanding markets of the Middle East—where Saudi Arabia bought 182 000 t in 1981. Unfortunately, Brazil and, above all, the Philippines have cornered these markets and done away with all potential competition.

► *Can the ODs, Cameroon and the Ivory Coast produce the same bananas they grow in Latin America, which are very popular with the ripeners and the retailers?*

— Until 1950 or so, Latin America grew the *Gros Michel* variety and it was sold in the USA and in Germany, where it was the consumers' favourite. But then Panama disease struck and *Gros Michel* disappeared gradually. In 1960, it began to be replaced by a *Poyo* hybrid, *Valéry*, which United Brand perfected on its Chiriqui plantations. This is a nice-looking, high-quality bana-

na, but it is no tastier than the *Poyo* produced in the French Caribbean or most of the ACP countries. If the trade prefers it, it has nothing to do with the way it tastes. It is a matter of price, resistance to transport and care involved in selection. The OD and the ACP countries could be more rigorous in their fruit selection, certainly, but they will still be handicapped by the costs already mentioned.

► *There appears to be a certain stability in OD production and a decline in African production. And isn't the French market organization changing?*

— Those are three very different things.

OD production has stabilized, at around 330-350 000 t, and this was quite deliberate too, as we were having considerable difficulties with outlets. So we prefer quality to quantity and our investments are concentrating on the former.

Let us now look at the production in the eight countries of Africa, which had a record output of 350 000 t in 1978. The complete disappearance of banana production in Angola, the serious drop in Ethiopia and a certain decline in the Ivory Coast and Cameroon brought the figure down to 200 000 t in 1981. It is obvious cause for concern, but a country-by-country investigation should be made of the changes, which are permanent in some places but may only be temporary in others, before speaking of a general downturn. This is particularly important because, as we saw in the past when Guinea disappeared from the charts, one country can well take the place of another. Nothing is final.

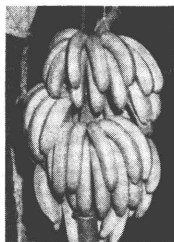
As for the organization of the French market, for the past 20 years our bananas have been provided by five traditional suppliers and the machinery, both for tonnages and prices, has functioned to the general satisfaction. But one cannot ignore that there are differing opinions and that envy is reflected in the pressure being brought to alter the present market rules. I, for one, do not feel that the government should allow itself to be influenced and I can see no serious reason for altering the way our market is organized.

► *Nevertheless, aren't you anticipating a certain amount of change? What effect could it have on ACP production?*

— I repeat, after 50 years of improvement, rectification and perfecting, there are no serious criticisms as to our market organization. Quite the contrary. People in other countries envy it and it is a source of inspiration to foreign professionals and FAO experts.

I do not see how the principle could be changed. As far as distribution is concerned, production from both the Ivory Coast and Cameroon would have to disappear once for all—which is quite unlikely—for the problem to arise. Any such decline must be avoided at all costs, as it would obviously have disastrous consequences for the producers.

In conclusion, I should like to repeat that we are completely in favour of our market organization, as it guarantees the situation of the producers in our overseas departments and in the associated countries in the franc zone. ○ Interview by A.T.



The UK market

Without protection ACP producers couldn't complete

Interview with Fyffes marketing director J.M. BURLTON

► *ACP bananas had privileged access to the UK market well before the Lomé Convention banana protocol. When was the first such special arrangement?*

— This goes back to the Ottawa agreement, signed in the mid-1930s, which gave Jamaica a preference into the UK market. Under this agreement the fruit from other countries became dutiable, which gave Jamaica a market preference, or a sort of a special situation in the UK market. Jamaica was indeed a large supplier of bananas to this market at one time. But subsequently, particularly from the late 1960s, Jamaican production started to decline and there obviously had to be other sources of supply. This company made arrangements with the Ivory Coast and Surinam. Jamaica's climatic and other problems led to an increasing amount of "third country" fruit coming into the business from what we know as the "dollar area", Central America. This dollar area fruit was always restricted on the basis of a licence.

Formerly it was at a level of 4000 tons a year, but it has gradually increased to offset the shortfalls of what are now the ACP suppliers. The licences are granted by the British government.

We work here in a regulated market—not a controlled market, as the French market is. A government committee meets monthly to decide on a forward basis what the available volume of bananas into the UK market is likely to be. Each of the importers states his potential import from the ACP areas. And against the estimates of the total market requirement for that particular period, which is normally about one calendar month, licences are either issued or refused.

► *Isn't a month rather short in view of the time required for shipping and handling?*

— Well, I think a month is probably right, because you can get wide fluctuations in volume from the production areas. On a monthly basis it is decided exactly how much supplementary licences can be issued to the three main importers, on top of their initial 12-month issue granted at the beginning of each licencing year (1 October).

► *What are the principal dollar area suppliers?*

— Honduras, Costa Rica, Columbia, Ecuador, Panama and maybe Guatemala. They're the main producing areas of bananas in Central America.

► *What is the overall volume of bananas imported into Britain in one year?*

— I would say it's in the region of 300-320 000 tons a year. That is basically what the UK market is.

► *And of that, what percentage comes from the dollar producers? Is that figure growing or falling?*

— It's around 45% and tending to grow at the moment, mainly because of the shortfall from Jamaica. If Jamaica came back into business in volume, then obviously there would be a fallback of dollar-source fruit. These shortfalls have really been created, particularly in the Windward Islands, by hurricane damage.

► *In other EEC countries, the percentage of Central American fruit is presumably a lot higher?*

— Well, other EEC countries have different marketing systems. The French market, for example, is controlled, basically to protect Martinique and Guadeloupe, which are departments of France. They are not considered to be ACP producers. Additionally, in France they are taking fruit in from the Ivory Coast and Cameroon, which are ex-colonial territories of theirs. The French market basically revolves around those four sources. If any shortfall from Martinique or Guadeloupe can't be supplemented out of the Ivory Coast or Cameroon, they will buy dollar fruit.

The French market is managed on the basis that it's government-controlled, whereas the UK market is influenced by government in the interests of the Caribbean.

► *Will the Caribbean or ACP producers in general gradually get edged out of the UK market?*

— As far as the UK market is concerned, I see an increasing amount of ACP fruit coming in. For instance, we in Fyffes have an exclusive purchase contract with Belize; we've been involved with Belize since 1973, helping them in various ways to establish banana exports, and our own parent company, United Brands, is actually involved in the production of bananas in this Belize project. So we see Belize becoming a major supply source to Fyffes in the UK. This will increase the volume of ACP fruit coming in. Similarly, there has to be some expansion in Jamaica as well, because Jamaica has got to the stage now where it has to do something positive to re-establish itself as a supplier to the UK market. There are moves afoot there through the EEC to develop banana production. So I think the ACP volumes will increase.

► *Although not from the Windwards?*

— Windwards production will fluctuate, I think, depending on the weather. They have quite a high potential but the potential is rarely realized.

► *How did the UK's joining the EEC affect the banana market in Britain?*

— I think the effect has been minimal. Basically, we are still staying with our traditional sources of supply,

providing they can come up with the goods. The alternatives obviously have to be with the dollar area. I don't think that situation would have been different had we not been in the EEC. We don't operate a free market here, as they do in some of the EEC countries, and as such there must be obviously a certain price protection for the Commonwealth Caribbean producers. This is a reason for regulating the market: it's basically to protect the price of their product in a market where, on a quality and production cost basis, they really can't compete.

► *Is the Caribbean fruit in fact slightly different from the Central American variety, and do people have a preference for it in the UK, even if it's just by tradition?*

— No, I wouldn't say that, although the Windward Islands and Jamaican varieties are different from the varieties grown on a large-scale plantation basis in Central America.

The importance of appearance

► *You don't think there is any noticeable consumer preference in the UK for the Caribbean variety?*

— No, I don't. I think the consumer in the UK tends to buy bananas for their look rather than for their taste and the Central American fruit undoubtedly has the edge on the market when it comes to appearance. Because of their greater specialization in the production of bananas, they're able to produce a much better-looking product—indeed, they have to in order to trade in the free markets of the world.

► *Can you detail the relative advantages given to the ACP producers—how exactly do they get a preference in the UK market?*



An impressive bunch of bananas. The British are more influenced by appearance than taste

EDF/John and Penny Hubley



An EDF-financed irrigated plantation in Jamaica. For many years Jamaica was the main supplier to the British market

— Well, mainly they have duty-free access to this market, whereas the Central American producers are limited by the licence which we can secure to import their fruit and they are penalized, if you like, by the 20 % duty. I think this applies in all the EEC states, although Germany has a sort of duty-free quota which relates to the fact that they have no former colonial territories on which they depend for bananas.

► *What about Ireland?*

— The Irish market is different again. That is a free market, trading mainly in bananas from Ecuador and Colombia. Ulster comes within the control of the UK market.

Unequal competition

► *And if these preferences were cancelled tomorrow, do you think the Caribbean producers would be wiped out by the competition?*

— Their competitive position would become very much worse. Yes, I would say they might be run out of the market, not immediately, but over a period of time.

► *So they depend on the UK market if they are to stay in business?*

— Yes. I don't think there are many other markets in Europe that would accept their fruit at a reasonable price.

► *Yet they are exporting nearly halfway around the world. Couldn't they turn elsewhere if the UK became too difficult for them?*

— Yes. But bear in mind that if they turn, say, to the United States, they would be competing with Central American quality again. The North American market is virtually trading on a branded basis—if a product is labelled, it has to be of high quality.

► *What are the difficulties facing the banana market in Britain at the moment?*

— I think the difficulties in this market relate to a continuity of high quality fruit. Dollar area supplies are not guaranteed and they are not necessarily continuous; we get large lumps in odd weeks. We have a problem of differences in quality. I'm not saying that all the fruit produced by the ACP countries is bad, not at all. What I am saying is that, generally speaking, Central America produces a banana which is more acceptable to the trade in terms of appearance. Yet it can often be faulted in terms of size, because this market tends to prefer a smaller banana, even if in the end the consumer mainly decides on appearance. Quality is of the utmost importance in any future development of ACP production.

► *What are the factors that principally affect the quality?*

— Basically, bananas are cosmetic things in that people are buying the skins. They buy on the basis of the skin being the right colour and with a minimum of blemishes.

► *What keeps the skin attractive?*

— Correct agricultural practices and extreme care in production, handling, shipping and distribution. That care is really the name of the game in the banana business. To produce consistently high-quality fruit today you really have to be producing from a surplus situation, in order to be able to obtain the amount of quality that's required for the markets.

► *What happens to the inferior fruit?*

— There are various ways of treating it. We have a banana puree production unit which will absorb some of the bananas which aren't exported. Of course there is a large local consumption of bananas, because this is one of the staple diets of the population of the producing countries.

As standards improve, presumably there will be less rejects. But there will always be rejects in this business. Each company is really responsible for marketing what a consumer demands, and if a consumer demands quality, then somehow we've got to provide it. Now you may argue that that is not the case in the French market, where bananas are not of very high quality appearance. But the French are natural fruit eaters, whereas fruit and vegetable consumption is considerably lower in the UK. Also they do have a managed market which forces the product on the consumer without any alternatives. In the German market it's purely a question of quality, quality, quality, all the time.

► *What position does the UK have in the overall EEC market?*

— I think the EEC market in total is about 2 million tons a year. We have 320 000 tons of that.

► *From now until the end of this decade, do you see major changes in the way the banana market works?*

— Not in the foreseeable future. When Belize comes on-stream and if Jamaican production recovers the market will go back to the ACP as its main source, rather than relying on the dollar area as a sort of heavy supplement to the market.



EDF/John and Penny Hubley

Quality depends on careful growing and picking and on efficient transport and supply

► *Would you not get more supplies from Africa, in view of cost of transport from the Caribbean?*

— The African production is basically from Cameroon and the Ivory Coast. Bearing in mind that those two sources are primarily concerned with the French market, we will only really be picking up any surplus fruit.

► *And you don't see the UK getting more bananas from English-speaking West Africa in the future?*

— I don't see any development in English-speaking West Africa in the banana business. I think Ghana tried this at one time, but with little success. The banana business is very specialized and it's generally a high-cost business. It's a cash crop to the growers, but it's a high-cost business running through the system, right to the point of ripening. There is a lot of investment involved in ripening bananas alone.

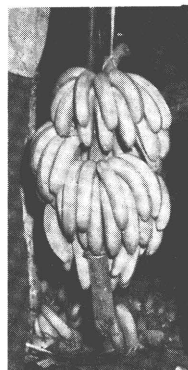
► *Is there any new technology coming in which might change things?*

— Well, for Martinique and Guadeloupe the French have added four vessels to a completely containerized service into France. There again, containers and the ships that have to carry them mean large investments. I think the French service has certainly been subsidized by government.

► *In view of the UK government's interest in protecting the ACP producers, shouldn't they be thinking of subsidizing you?*

— The government here, I suppose, will support the ACP in terms of the Lomé agreement. I don't think that would involve going into the high costs of producing new ships and containers. The shipping business at the moment is far from good, in world trade generally. ◊

Interview by B.T.



The German banana market

ACP failure to understand the machinery

The German banana market is the biggest in Europe. But for many years now, since the early days of the EEC in fact, it has seemed incomprehensible, even enigmatic, to first African and then ACP producers. They have never managed to penetrate it. Yet it is an open, unprotected market, as one head of an importing firm in Bremen pointed out, not without a trace of annoyance. So there is one question. Why do ACP bananas find no takers in Germany? There are three main answers to this, as the *Courier* found from enquiries into two of the main banana and tropical fruit importers—Atlanta, in the Scipio group, in Bremen and the Afrikanische Fruchtcompagnie in Hamburg.

In the beginning was the Treaty of Rome

The German importers explained their current rejection of ACP bananas by pointing first to the legal and commercial framework in which they operate. When the treaty setting up the EEC was signed in 1958, they maintained, France and Italy, which had interests in and duties towards their colonies, managed to get free entry for African and OCT bananas recognized by that treaty. The counterpart for Federal Germany was that it could go on importing South American bananas, tax-free, as it had done prior to 1958. So the German quota for Central and South American bananas was compensation for the advantages accorded to France, Italy and, later on, to the United Kingdom for bananas from Jamaica and the Windward Islands. They do not contest this arrangement, far from it, but they feel it implies that the EEC common market rules on free circulation of goods do not apply in the banana trade in France, Italy and the United Kingdom, or in Germany either. So they consider they are under no obligation to buy ACP bananas if there do not meet their particular requirements.

Irrefutable technical arguments

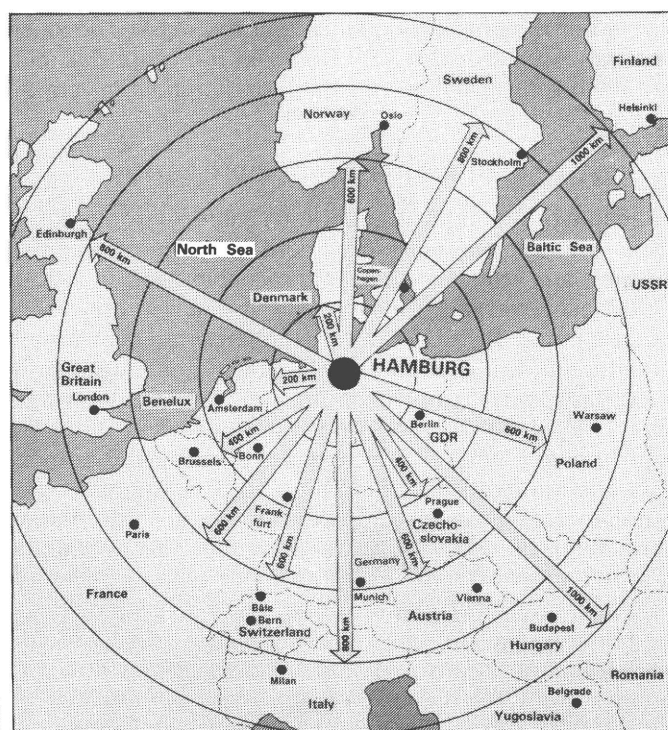
But the arrangement in the Treaty of Rome and the Accession Treaty covering the UK's arrival in the common market in 1973 does not look like a genuine obstacle to the importation of ACP bananas. In the view of Mr Gellerich (Atlanta) and Mr Flick (Afrikanische Fruchtcompagnie), the problem is primarily an economic and financial one and relates to the ACP production structures and strategies—or lack of strategy—in commercial matters. They explained this as follows.

Germany imports roughly 500 000 tonnes of bananas every year, France a little less and the UK 323 000 t (1981 figures). The production of Africa, the Caribbean and the OCT combined is barely 500 000 t and it cannot, therefore, meet the demands of France, the UK and Italy, which have to buy additional amounts to cater for their respective consumption. And if Germany was counting on developments whereby African bananas could be imported, there again, it has to be prudent, said Gellerich and Flick. The FAO forecasts give warning here. This UN organization has indicated that African banana production will only be around the 325 000 t mark in 1983 (an increase of less than 1% over the 1977-79 figure of 322 000 t). If all these bananas were concentrated in a single country, they would still only amount to one consignment of 6000 t per week—whereas Hamburg receives two 3000-4000 t shiploads from Central and South America every week.

The African and the ACP countries in general are therefore unable to meet the demands of German importers on a regular basis, as their production peaks at 20-30 t per ha p.a. as against the 40-60 t per ha achieved in Latin America.

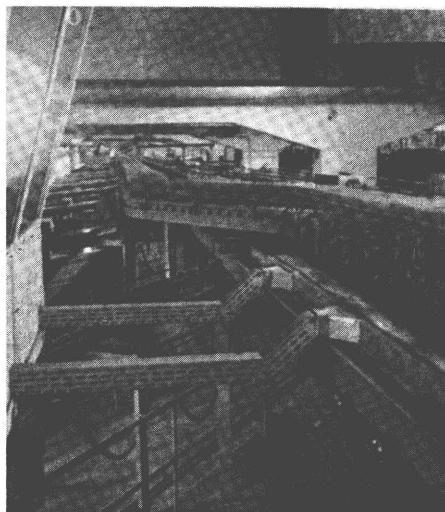
Germans "buy with their eyes"

But it is not only a matter of limited production. The ACP countries are not in a position to meet the main import condition in Germany either, that the bananas have to be homogeneous. Three or four thousand tonnes of South American bananas (200 000 boxes), one shipload, consist of "absolutely homogeneous fruit, identical from first to last", Messrs Gellerich and Flick confirm. (This is essential for the German importers and it affects



Re-exporting bananas

Hamburg is a central point for supplying several countries



The modern machinery at Hamburg sorts and despatches cargo highly efficiently. Since they were installed, manual work has been reduced by a third because of mechanization. Each work shift processes 64 000 boxes, totalling 1300 tonnes, which are loaded onto lorries or trains along 1700 metres of conveyer belts

the whole process of ripening in the highly technical ripening centres in Germany). ACP bananas, they consider, are too varied to be handled in ripening. The German consumers, they say, buy with their eyes. In other words, they care about what the fruit looks like, not how it tastes. Not that fine flavour tips the balance in favour of ACP bananas; the importers think that in Germany, unlike in France where the consumers have been better informed, the argument about better taste and finer flavour will not be a selling point unless vast promotion campaigns are run, which would involve a considerable financial outlay that no importer wants to undertake. So taste is of little importance to the German exporters and consumers for the moment. They compare ACP bananas to Canary Island bananas in this respect. The Canaries were Germany's major banana suppliers before World War II, but they have long since lost the market because their fruit, very like the ACP fruit, did not meet the relevant technical (artificial ripening) or commercial conditions in Germany.

ACP bananas are not competitive

Banana production is too low. There is too wide a range of varieties (and attendant ripening problems). Supplies are irregular (two or three shiploads of 4000-6000 t per week are required and Africa can only manage one batch of 3000-5000 t). Transport is problematical (although the African and Caribbean coasts are eight or 10 days away from Hamburg and Honduras is 10-12 days away, for example). All these things and more are major reasons why ACP bananas are not nearly competitive enough for the German market. The Atlanta representative told how in 1968, at the request of friends representing Ivorian products in France, his company bought two consignments (4000 t) of Ivorian bananas: "It was a financial disaster for us", since they could not be ripened in the German centres because there was too much variation in size. Atlanta tried again in 1974 with bananas from Martinique and the results were just as bad. "We counted 300 different sorts of bananas in each 2000-3000 t consignment", Mr Gellerich said. He felt this side of the problem was most important as the

German ripening centres have to function to capacity if the demands of the market are to be met and consumption in this country, at 10 kg per person p.a., is the highest in Europe. This does not include the fruit re-exported to non-Community countries.

"There is no point in us investing in ACP banana production"

The German importers consider their arguments for refusing to buy ACP bananas technically irrefutable. Selling means having something saleable and being familiar with the machinery of the market to which it is hoped to export. But this does not seem to be the case of the ACP producers, who are hoping to corner a large part of the very considerable German banana market. That is the current situation for ACP bananas in Germany.

But could the incentives the Lomé Convention offers investors interested in helping ACP development have brought German capital into the ACP banana sector? The German importers are quite clear: "There is no point in us investing in ACP banana production". Why not? Because enormous amounts of capital would be required to create enough production capacity in one of these countries to meet regular demand in Germany and the rest of Europe. No one is willing to embark on this. In addition—and this is most important—the FAO says there is overproduction of bananas in the world today, calculating that 7.85 million t of this fruit will be exported in 1983 to meet an international import demand of only 6.6 million t. This means a surplus of 1.2 million t.

It is clear that the world banana surplus is very badly distributed. In many countries, particularly in Africa, bananas are rare and can cost more than they do in Europe. Greater ACP production, with European technical and financial help, could do something about this paradoxical situation. "No", Mr Gellerich said, "we don't want to grow them. We want to find bananas and other fruit for the German consumer. And we find plenty".

According to Messrs Flick and Martens, who direct the Afrikanische Fruchtcompagnie in Hamburg, the reasons

their company does not, in spite of its name, buy ACP African bananas are historical, and secondarily financial and commercial. In 1912 this company began to produce bananas in Cameroon. It had to cease its activities at the end of World War I and, in 1951, it set up in Liberia, where it was unable to continue because of an outbreak of Panama disease. In the 1950s the company failed again, this time in Nigeria and Sierra Leone; but, meantime, it had agreed to import bananas from Latin America and to investigate the possibilities of production there—which proved conclusive. It then shifted to this part of the world, where it flourished, acquiring plantations and investing a considerable amount of capital. The German importers' firm commitment to Central and South American bananas also has something to do with the fact that German capital is invested in the development of the economy of this region. They argue, however, that German participation in South American banana production is small because the plantations have been bought up by different countries and by private investors in the region. Like Mr Gellerich in Bremen, Mr Flick and Mr Martens pointed out that they once imported ACP (Ivorian and Cameroonian) bananas out of the feeling of loyalty to the countries where they started out nearly 70 years ago, and because they like them and were interested in helping their economies develop. But it was a complete failure, they said, and for the same reasons.

"We can't do everything for the ACP countries"

Ask the German exporters what can be done to create and develop a banana industry in the ACP countries, as they have in Central and South America, and they say "nothing" as far as they are concerned. They feel "we



Twenty lorries can be loaded at the same time at the Hamburg terminal

can't do everything for the ACP countries". The company representatives the *Courier* talked to thought that as long as the ACP countries themselves have not woken up to the constraints of the banana trade and acted accordingly, there can be no satisfactory solution.

They also feel that this awakening should already have taken place among these countries' representatives in Brussels, although it does not seem to be the case so far, they point out. Messrs Gellerich, Flick and Martens agree: "Every year we have negotiations in Brussels to find out what quantities of ACP bananas we are going to be able to buy, as part of our annual quotas, and to decide on the conditions of acquisition and supply". But the ACP delegates in Brussels have never reacted to their proposals, the Germans from the two firms said, mentioning that they have written to the ACP Secretariat and offered a meeting in Hamburg or Bremen but have never had a reply. So, they said, it is wrong to suggest that the German importers do not want or are avoiding ACP bananas. The problem is primarily a commercial one and the best offer corners the market.

What is the outcome for ACP bananas?

This is an important question and difficult to answer, importers Gellerich and Flick said. As they see it, the solution has to come not from the outside but from the ACP leaders themselves. There are a number of ways out.

The first would be for the ACP countries to export the fruit in the form of processed (crystallized or dried) bananas, ready packed with care by an industrial process. The market for processed bananas seems small, but it has not been much exploited so far and there are considerable possibilities of expansion, they feel. This is an opportunity the ACP group should not neglect, as it could well enable them to capitalize on the bananas they cannot currently export.

The second way out would be to take all the basic conditions of banana production (soil, climate, growing techniques, etc.) and analyse them scientifically to see whether the ACP countries can or cannot produce bananas that will compete with the countries of Latin America. The ACP countries, could, if need be, envisage technical cooperation with these countries.

A third, but by no means last, possibility is for the ACP countries to stop behaving like dilettantes in sectors where the Latin Americans have been using high-grade technology (fertilizer, irrigation over thousands of hectares, research into different varieties, etc.) for years and where trade competition and strategies are fierce.

The ACP banana sector is like many of the other sectors of their economy. It is too piecemeal (within each producing country), it does not function smoothly, it has no prospects and the products get worse instead of improving in quality and quantity. ACP bananas have a long way to go before they can really get into the German and European markets. In an open economy, in the banana and all other sectors, selling and winning markets means being able to move in. For the moment, the ACP countries cannot do so. ◊

LUCIEN PAGNI

BOOKS

Philippe DECRAENE — **Vieille Afrique, jeunes nations** (Old Africa, young nations) — "Perspectives internationales" collection, Presses Universitaires de France, 108 bdv Saint-Germain, 75006 Paris — 302 pp — ff 98 (Bfrs 745) — 1982

"Africa's image abroad demonstrates that the media only retain current events, not history. Black Africa has therefore never gained its rightful place in public opinion... Before 1900, the tumultuous history of the colonial period only really interested a very small minority, while public opinion in the second half of the 20th century has only been briefly drawn to a period of decolonization which has only raised real interest when it involved bloodshed.

"Social disturbance and religious confusion, alienation and cultural traumas, economic handicaps, political tension of all kinds and the weight of foreign dominance are daily realities for Africans as for the great majority of the world's population. Yet, despite it all, in the end Africa has perhaps not made such a bad start".

That is Decraene's thesis. African news editor on *Le Monde*, member of the Académie des Sciences d'Outre-Mer, he attempts to prove it in the light of 25 years' experience of covering Africa. In what may be the first thematic study in French of change throughout Africa, he successively covers a quarter of a century's developments in culture, society, religion, economics and politics south of the Sahara. As they enter their third decade of independence, the African states have a more promising future than many elsewhere in the world, Decraene considers.

"In short, black Africa must no longer be of interest only to philatelists looking for a unique cover or lepidopterists chasing the butterfly of their dreams". Decraene's exhortation again underlines the importance of information, explanation, contact, discussion. Information, i.e. knowledge, is a pre-requisite to and prolongation of action, as this magazine has often stressed over the years.

"Black Africa has not lost its soul. Daily life there has a human rhythm and feelings survive that have been

lost or limited to minorities in richer societies: respect for the family, consideration for the elderly, openness to strangers. These affirm an openness to the world, a way of making oneself available and a way of looking at life and time which go beyond material power, scientific skills and knowledge in the wide sense".

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Andrea ANDERMANN/Alberto MORAVIA — **Quelques Afriques** — Société nouvelle des Editions du Chêne/Hachette, Paris — Moravia's text translated from Italian by Danielle Boillet — 1982

Writer Alberto Moravia and filmmaker Andrea Andermann are both fascinated by Africa. This book, based on Gide's journey in 1925, is the combined reaction of two different sensibilities — not a systematic enquiry nor a comprehensive portrait, but the reflection of a closeness to nature which no longer exists in Europe.

Gide's trip was described in his two books *Voyage au Congo* and *Retour du Tchad*. Moravia and Andermann also began their journey on the west coast of Africa, in Zaïre, where white rule was once founded on the slave trade. Using a local style of boat they went up the great Congo River, the massive artery of that vast country, into "the heart of darkness". They crossed the dense, damp gloom of the forest journeyed into the Sahel and finally reached the harshness of the desert, where life turns to dust. They went as children of nature rather than of civilization. Their purpose is not to inform so much as to share their impressions of Africa — subtle, ambiguous, personal.

The book is beautifully written and beautifully illustrated with photographs. Moravia and Andermann are known for their five TV films, also called *Quelques Afriques*, which have been shown in 24 countries. The result of 15 years' travel in Africa, critical opinion applauded their intelligence, poetry, variety and finesse — qualities also found in this book.

ooo

Richard MOORSON — **Transforming a Wasted Land** — Catholic Institute for International relations (CIIR), 22 Coleman Fields, London N1 7AF — 114 pages — £2.95 + 30 p postage — 1982

This is a unique study published by the CIIR which brings to life the human and economic consequences of continued delay over Namibian independence. *Transforming a Wasted Land* uses a wealth of research material to describe how colonial agricultural policies and South Africa's illegal occupation of this UN mandated territory have led to impoverishment and severe damage to the delicate ecological balance of Namibia's harsh environment.

The book argues that the present agricultural crisis, though aggravated by drought and war, has deeper roots. 120 000 black families are crowded on to 6 % of the land while 5 000 white ranchers occupy an area larger than East and West Germany combined. Peasants cannot produce enough, forcing men to leave their families for work in the towns and mines. Commercial farming is oriented to export. Yet, in an analysis with implications for ranching all over Africa, this study shows that most settler farms are uneconomic and rely on state subsidy.

Transforming agriculture will be a formidable task for the government of an independent Namibia. The author argues that the policies of the present administration offer no answers. The general proposals of the independence movement SWAPO are discussed. The study concludes that radical changes will be needed to turn the present distorted system into one which meets the needs of the population.

ooo

Billy DUDLEY — **Introduction to Nigerian government and politics** — The Macmillan Press Ltd, Little Essex Street, London WC2 — 320 pages — £15 (hardback), £5.95 (paperback) — 1982

This book is a comprehensive and critical account of Nigeria's political processes since independence.

Professor Dudley convincingly argues that socially conditioned values

INDUSTRIAL OPPORTUNITIES

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CID

PROJECT IDENTIFICATION IN THE PACIFIC

WOOD, SEA-SHELLS AND COCONUTS

The under-utilized wood resources of several Pacific islands offer plenty of industrial potential. Some islands could also successfully industrialize their resources of coconut and sea shells. These are the conclusions of Daniel Nairac, CID's area head for ACP island states, following a mission to the Pacific.

CID-ASSISTED PROJECTS IN THE PACIFIC.

A printing works in Western Samoa to whom CID provided training assistance.

Knitwear workers of the South Pacific Manufacturing Company (Tonga) who were trained by an expert funded by CID.

In September and October 1982 he visited Fiji, Tonga, Western Samoa, Vanuatu, Papua New Guinea, the Solomon Islands and Kiribati. The mission sought to identify and evaluate new industrial projects in the islands. It also aimed to strengthen the CID's link with its antenna organisations in the Pacific and with industrial development institutions there.

KNOCK-DOWN FURNITURE

The CID recently commissioned a survey of the wood sector in the Pacific region. This survey identified a number of possibilities which the mission was able to follow up. The mission contacted several firms who wish to attract European investment, technical expertise and designs for manufacturing knock-down furniture. Markets would mainly be regional, but there is also the possibility of export-

ing to Australia, New Zealand, Japan, the USA and Europe.

MOTHER OF PEARL BUTTONS

Many of the ACP Pacific islands export unprocessed trochas shells. The use of these shells to make buttons for export is therefore an idea with regional appeal. Vanuatu already has a successful button

Continued on page 2

PROMOTIONAL MEETINGS

DUTCH AND DANISH INDUSTRIALISTS TO CONSIDER CID PROJECTS

CID plans to participate in promotional meetings with Dutch and Danish industrialists in March and April.

Such meetings are a regular feature of CID activities. They allow CID to identify potential EEC investors for specific ACP projects. They also provide a forum in which EEC firms can put industrial project proposals to promoters from ACP countries.

The Dutch meeting is to begin at 9.30 in the Promenade Hotel, The Hague, on 17 March. It is being organized in cooperation with the Netherlands Development Finance Company (FMO), and the Dutch Christian Employers' Association (NCW), and the Dutch Entrepreneurs Association (VNO).

The Danish meeting is being organized in collaboration with the Industrialization Fund for Developing Countries (IFU) and the Danish Federation of Industry (Industriraadet) and is to take place at 13.45 on 21 April in the Federation's building in Copenhagen.

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4 and 5

List of CID antenna organisations

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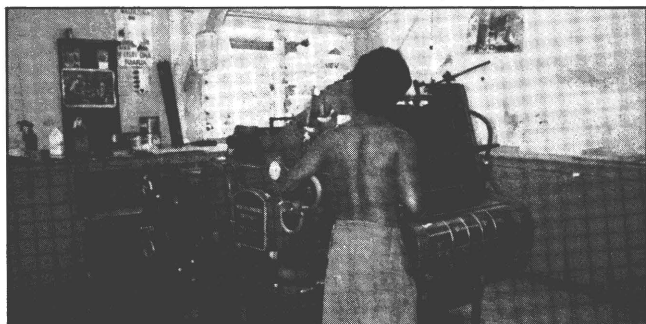
Activities in the field July to December 1982

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☐ Adapted technologies

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Offers from ACP sponsors



Continued from page 1

company. The company is currently negotiating with a French button manufacturer with a view to extending the Vanuatu operation under a joint-venture arrangement. The CID has supported this by co-financing a study undertaken by the French company. The success of the Vanuatu project is an encouragement to others. Entrepreneurs in Fiji, Papua New Guinea and Solomon Islands told the CID of their interest in the button-making idea.

The button industry is labour-intensive and is dying in some European countries. Moreover there is market potential in Europe and Japan for either finished buttons or pre-cut blanks for further fashioning.

ENERGY FROM COCONUT SHELLS

CID has sponsored studies on the conversion of coconut shells into gas, charcoal and activated carbon in Western Samoa and Vanuatu. The mission spoke to officials and entrepreneurs in these countries who expressed their continuing interest in making better use of their coconut resources. ■

CARIBBEAN PROMOTIONAL MEETING

INDUSTRIAL EXPERTS SEEK PROJECTS

CID is organising a multi-sectoral project promotion meeting for ACP Caribbean States to take place in Brussels during the first half of June 1983.

The meeting will place special emphasis on agro-food, fishing, building materials and wood-based industries. Roving experts will visit all twelve ACP Caribbean countries from 7 March 1983, to identify sponsors with industrial projects. They will subsequently substantiate these projects for promotion at the June meeting. CID will invite up to 20 sponsors of the most promising Caribbean projects to attend the meeting and to personally present their projects. Project sponsors who are not invited may have their projects presented for them.

Interested firms and sponsors in the Caribbean should contact the CID antennae in their country (see pages 4 and 5). They may also contact their Ministry of Economic Development, their local development bank or local industrial development corporation. These organisations can arrange appointments with the roving experts for the month of March.

EEC firms who declare a definite interest in investing in any of these projects will receive an invitation to the June meeting. Interested EEC firms should contact the CID during the month of April 1983. ■

MISSIONS TO WEST AFRICA

PROJECTS DISCUSSED IN GHANA, MAURITANIA AND SENEGAL

Jens Mosgard, Director of CID, led missions to Ghana, Mauritania and Senegal in November 1982. In Ghana the mission found great need for the assistance of CID. In Mauritania, which is a large country with a small population, the manufacturing sector is negligible but has considerable potential for future development. In Senegal, CID discussed 10 projects in need of immediate assistance.

REHABILITATION FOR EXISTING INDUSTRIES IN GHANA

There is a profound need in Ghana for assistance with the rehabilitation of existing industries. The CID mission made an on-the-spot offer of assistance for two such projects. The first project entails the provision of expertise for the reorganisation of Government wood-working shops through a tripartite joint-venture which includes private Ghanaians and a European industrialist. The second project entails direct assistance with the rehabilitation of equipment in Government quarries.

CID's focal contact in Ghana will be the National Investment Bank which has credit lines from the World Bank and the EDF. Pending the appointment of a full-time industrial cooperation expert (ICEP), a private consultant will act as a CID antenna in Ghana to help prepare project proposals.

POTENTIAL FOR LINKAGE INDUSTRIES IN MAURITANIA

The mission encountered much interest in using CID services and discovered there were good possibilities of raising local finance for industrial projects.

The Mauritanian Government is interested in strengthening its contact with CID through the appointment of a full-time industrial cooperation expert (ICEP). The expert would be shared with the other member states of OMVS — Organisation de Mise en Valeur du Fleuve Sénégal (Organisation for the exploitation of the Senegal river).

There is room in Mauritania for small and medium-sized industries to link in with large mining and fishing developments. Such linkage indu-

stries might, for instance, supply mechanical parts and services to the mining sector, or provide processing and distribution facilities to the fishing industry.

CID has a number of Mauritanian projects in the pipeline and as a result of assistance recently provided, a blanket-making factory has restarted operations.

TEN PROJECTS DISCUSSED IN SENEGAL

CID took advantage of its presence at the West African Industrial Forum in Dakar, by arranging meetings between Director Jens Mosgard, and Ibrahim Diarra of CID, and three major Senegalese institutions responsible for industrial development. Meetings were held with SONEPI (National agency for studies and industrial promotion), the Industrial Free Zone of Dakar and SOFIDESIT (The Senegalese financial agency for the development of industry and tourism).

There was discussion of 10 projects in need of immediate assistance from CID; four involve the rehabilitation of existing industries; and six are for new industries, two of which will be located in the Industrial Free Zone of Dakar. CID offered to provide assistance for these projects as soon as it receives detailed requests.

In the immediate future, CID will provide every assistance to a representative of the Industrial Free Zone of Dakar who is to be stationed in Brussels. He is to promote projects on behalf of SONEPI, SOFISEDIT and the Industrial Free Zone of Dakar.

It is clear from contacts made with the Ministry for Industrial Development, that Senegal is very interested in the Industrial Cooperation Experts Programme (ICEP) which could be implemented jointly by the three OMVS member states. ■

ANTENNA ORGANISATIONS

CID REPRESENTATIVES AT YOUR SERVICE IN ACP COUNTRIES

Are you an entrepreneur living in an ACP country? Have you a project idea which you want to promote in Europe? Would you like some assistance with the preparation of documentation for your project proposal? Then why not get in touch with the CID antenna organisation in your country. The antenna will be able to advise you free of charge.

Most ACP countries now have a CID antenna which is expected to act as a link between ACP entrepreneurs and CID. Some ACP antennae are public institutions such as development banks. Others are private firms which receive a retainer fee from CID. The full list of CID antenna is published on pages 4 and 5.

NEED FOR THE ANTENNAE

A major handicap to industrial cooperation between the ACP countries and EEC industry is the lack of identified and well substantiated industrial projects backed by competent local private or public sponsors. It is not always possible for CID, with its relatively small professional staff, to go into the field itself to identify and substantiate projects.

A network of antennae was originally conceived as a means of identifying, and of obtaining detailed information on, industrial project proposals originating in ACP countries. It was felt that a local antenna would be well placed to make effective contacts in its own country, to appreciate the current national priorities, to analyse the needs of a locally proposed project, and to assess the capabilities of the sponsor and the prospects for success.

AN UPSURGE OF INTEREST

At the end of Lomé I, the insertion of Industrial Opportunities in the Courier magazine (which is circulated in all ACP States) created an upsurge of interest in CID activities and in the type of assistance CID could give. CID then began to receive a large number of enquiries per month; and it was the role of the newly appointed antennae to check out sponsors and verify project information, thereby screening off inappropriate requests.

In the CID's experience it is difficult, if not impossible, to get ACP sponsors to provide sufficient information about their project proposals. The problem is

accentuated if the information needed is technical in nature. CID is sometimes obliged to send out its own staff, or to contract sectoral experts or local consultants, in order to collect and collate the information required for presenting project proposals to European investors; however, this work is now being taken over to an increasing extent by the antennae.

PUBLIC INSTITUTIONS

There are added advantages in having an ACP antenna which is also a public institution. Such antennae are usually development finance institutions with a statutory interest in viable projects which fit in with the industrial priorities of their countries.

They are usually involved in raising some of the finance for such projects. An EEC investor who teams up with one of these institutions in a project, may be assured that the project will have local support. CID also finds that these antennae generate the kind of industrial project which may benefit from the assistance offered by CID—particularly those projects which require joint venture partners. These antennae are supposed to assign one staff member the task of looking after CID matters.

PRIVATE FIRMS

In some countries, however, especially where the private sector is strong and the system decentralized, a private antenna seems a more effective solution.

Private antennae are chosen amongst consultancy firms or individual consultants with industrial experience and especially with extensive contacts in both the private and public sectors of their countries. Their academic and practical background should be able to command the confidence of both private and public investors.

The choice of a private or public antenna is always extensively discussed with the country's government authorities and with its embassy in Brussels.

ROLE OF ANTENNAE

The antennae are required to introduce the CID to new projects in need of EEC joint venture partners and technical assistance; but they must also try to find ACP partners for projects proposed by EEC firms.

CID may also ask an antenna to check out a project originating in its country or to follow-up a project that has run into delays and difficulties.

Antennae also liaise between CID and local Ministries, development finance institutions and the private industrial sector; they answer enquiries about the CID from local entrepreneurs; they help with CID seminars and meetings in their countries and regions; they provide CID with general information about their countries; and they help with arrangements for CID missions.

The antennae submit six-monthly activity reports to enable the CID to monitor their work.

DRAWBACKS TO THE SYSTEM

Private antennae can devote themselves to CID assignments on only a part-time basis and are paid accordingly. Public institutions which act as antennae are obliged to devote more time to their normal day-to-day functions than to the needs of CID.

Neither category of antenna could render the same service as a person devoted full-time to CID duties. It is for this reason that CID proposed the Industrial Cooperation Experts Programme (ICEP) to ACP governments. Under this programme full-time industrial cooperation experts would be appointed for CID work in ACP countries or regions.

But under the present statutes and budget of CID the best known system is the antenna network which CID will retain and develop.

ACP entrepreneurs are encouraged to cooperate with the local CID antennae to enhance the chances of their projects being successfully promoted by CID. ■

CID ANTENNA ORGANISATIONS

WEST AFRICA

Benin

Bureau Central des Projets
Attention: M. ADIKPETO, Directeur
Ministère du Plan, de la Statistique et
de la Coopération
COTONOU

Cape Verde

Afrique Industrie Conseil et Promotion
Rua do 24 Setembro 15 — Tlx 84
INTERB SY (indicating "para A.I.C.P.")
MINDELO

Gambia

Ministry of Economic Planning
and Industrial Development
BANJUL

Ghana (Private sector)

Mr. Andrews Kwane PIANIM
Management & Consultants Ltd
P.O. Box 11950 ACCRA/north

Ghana (Public sector)

National Investment Bank
(under negotiation)
P.O. Box 3726 ACCRA
Tel: 21312
Telex 2161 INVESTOR ACCRA

Guinea Bissau

Comissariado de Estado da Coordenação
Económica e Plano
Attention: Dr Vasco CABRAL
BISSAU

Guinea Conakry

Ministère des Petites et Moyennes
Entreprises et de l'Artisanat
B.P. 187 CONAKRY

Ivory Coast

CAPEN
B.P. V271
ABIDJAN 01
Tel: 32 01 45

Liberia

Development Consultants
Attn. Mr. John T. WOODS
P.O. Box 3624
Tel: 222161 — Tlx 4596 MONROVIA

Mali

Centre d'Etudes et de Promotion
Industrielle (CEPI)
Attn Mr. S. DOUMBIA, Directeur Général
B.P. 1980
BAMAKO
Tel: 22 22 59/22 22 79 — Tlx 445 CEPI

Mauritania

Fonds National de Développement
B.P. 648 NOUAKCHOTT

Niger

Office de Promotion de l'Entreprise
Nigérienne (OPEN)
Attn: M. Alzouma, Directeur des Etudes
B.P. 11 208 NIAMEY

Nigeria (Private Sector)

George Odia & Associates
Attn: Mr. S. ODI
P.O. Box 9698 LAGOS
Tel: 84 1247/84 1246 — Tlx 20117

Nigeria (Public Sector)

Nigerian Industrial Development Bank
(NIDB) (under negotiation)
Madilas House
Broad Street 63-71
P.O. Box 2357 LAGOS
Telephone:
663470/663515/663563/663539/663495

Senegal

Société Nationale d'Etudes et de Promotion
Industrielle (SONEPI)
B.P. 100,
4 rue Manoury DAKAR
Tel: 26094/26095

Sierra Leone

National Development Bank Ltd
Attention Mr. Eustace S. PEARCE,
Managing Director
Leon House (6th Floor)
21/23 Siaka Stevens Street
P/Bag Mail FREETOWN
Tel: 26791/2 — Cable NATDEY

Togo

Togoprom
B.P. 3261 LOME
Tel: 215049

Upper Volta

Office de Promotion des Entreprises
Voltaïques (OPEV)
B.P. 94 OUAGADOUGOU
Tel: 36603/05/07 — Tlx 5328 UV

CENTRAL AFRICA

Burundi

No antenna yet
Contact point:
Service de la Planification
Ministère du Plan
B.P. 224 BUJUMBURA
Tel: 6063

Cameroon

No antenna yet
Contact point:
Centre d'Assistance pour la
des petites et moyennes entreprises
(CAPPME)
B.P. 1377 DOUALA
Tel: 42 58 58/42 41 11
Tlx 5590 KN

Central African Republic

Chambre de Commerce, d'Industrie, des
Mines et de l'Artisanat
B.P. 252 et 813 BANGUI
Tel: 611221/612177
Tlx CIACA 5275 RC

Chad

No antenna yet
Contact point:
Direction du Bureau de Promotion
Industrielle du Tchad
Ministère de l'Economie et des Finances
B.P. 458 N'DJAMENA

Congo

Banque Nationale de Développement du
Congo (BNDC)
B.P. 2085 BRAZZAVILLE
Tel: 814321/813013
Tlx BNDC 5312 KG

Equatorial Guinea

No antenna yet
Contact point:
Ministère de l'Industrie et de l'Energie
Consejo Militar Supremo
MALABO

Gabon

Banque Gabonaise de Développement
B.P. 10005 LIBREVILLE
Tel: 722489

Rwanda

no antenna yet
Contact point:
Banque Rwandaise de Développement
B.P. 1341 KIGALI
Tel: 5933 — Tlx 5079

Sao Tome & Principe

No antenna yet
Contact point:
Ministère du Plan
SAO TOME

Zaire

Société Financière de Développement
(SOFIDE)
Building U.Z.B.
B.P. 1148 KINSHASA
Tel: 25697 — Tlx 21619 SOFIDE

EAST AFRICA

Comoros

Development Bank of Comoros
MORONI
Tel: 2418

Djibouti

Mr. Berhanu KIDANE
P.O. Box 6838
ADDIS ABABA (Ethiopia)
Tel: 445572

Ethiopia

Mr. Berhanu KIDANE
P.O. Box 6838 ADDIS ABABA
Tel: 445572

Kenya

4M Enterprises
Attn: Mr. C.H. MALAVU
Town House/Kaudra Street
P.O. Box 48340 NAIROBI
Tel: 333795

Madagascar

Société d'Etudes et de Réalisations pour
le Développement Industriel (SERDI)
B.P. 3180 ANTANANARIVO
Tel: 21335

Mauritius

Mauritius Chamber of Commerce & Industry
(MCCI)
Attn Mr. G. CHAVRY
3 rue Royale PORT LOUIS
Tel: 08-3301 — Tlx 4277 Chacom

Seychelles

Mr. Eric VAN OVERSTRAETEN
Department of Planning
Ministry of Planning & External Relations
P.O. Box 656
NATIONAL HOUSE, VICTORIA
Tel: 22041 — Tlx 2357

CID ANTENNA ORGANISATIONS

Somalia

Somalia Development Bank
(under negotiation)
P.O. Box 1071 MOGADISHU
Tel: 3800/3228
Tlx 635 59B MGD SR

Sudan

Sudan Development Corporation (SDC)
P.O. Box 710 KHARTOUM
Tel: 79044/45
Tlx DECORP 22427 KM

Tanzania

Small Industries Development Organization
P.O. Box 2476 DAR ES SALAAM
Tel: 20802, 27691-4
Cable "SIDEV"

Uganda

Mr. Alfred ODOY-ASOKA
Marketing and Trade Promoters
P.O. Box 8219 KAMPALA
Tel: 34476
Tlx 61172, 61272

SOUTHERN AFRICA

Botswana

Mr. John COLLINS
Senior Trade Promotion Adviser
c/o Delegation of the EEC
P.O. Box 1253 GABORONE
Tel: 237 26/223 09
Tlx Delegum 35166 Nasem

Lesotho

Lesotho National Development Corporation (LNDC)
P.O. Box MS 666 MASERU
Tel: 22012 — Tlx 341

Malawi

Investment and Development Bank of Malawi Limited (INDEBANK)
P.O. Box 358 BLANTYRE
Tel: 33055/33376
Tlx 4228 Indebank

Swaziland

National Industrial Development Corporation of Swaziland (NIDCS)
P.O. Box 866 MBABANE
Tel: 43391 — Tlx 2052 WD

Zambia

INDECO Ltd
Indeco House
P.O. Box 31935
LUSAKA

Zimbabwe (Private Sector)

Zimbabwe Industrial Advisory Service (ZIAS)
(For Small scale indigenous industries)
P/BAG 504 D HARARE
Tel: 792006 — Telex 4666 Pco Sy 2w or
Mr. N.G.C. BURROWS
703 Portland House
Selborne Ave/Main St.
BULAWAYO
Tel: 74871

Zimbabwe (public Sector)

Industrial Development Corporation of Zimbabwe

(For larger scale industries)

P.O. Box 8581
CAUSEWAY — HARARE

CARIBBEAN

Antigua

No antenna yet
Contact point:
Financial Secretary
Ministry of Finance
Administration Building
High Street
ST JOHN'S

Bahamas

Bahamas Development Bank
Attn: Mr. Warren L. ROLLE, Managing Director
Bay Street — Rairston Square
P.O. Box N — 3034 NASSAU
Tel: (809) 32-2-8721-5 — Tlx NS 297

Barbados

Barbados Industrial Development Corporation
Attn: Mr. Rawle CHASE, Managing Director
Pelican Industrial Park
BRIDGETOWN
Tel: 75350, Cable BARDEV

Belize

No antenna yet
Contact point:
D.F.C.
Head of Industry Division
Attn: Mr. Pedro A. CHO
Bliss Parade
Belmopan BELIZE
Tlx 248 DEFINCO BZ

Dominica

Industrial Development Corporation
Attn: Mr. Philip NASIEF
64 Hilsborough Street ROSEAU
Tel: 2045 — Tlx DO 8625

Grenada

The Permanent Secretary
Ministry of Industrial Development
ST GEORGE

Guyana

The Permanent Secretary
Ministry of Manufacturing Industries
Homestretch Avenue
Durban Park
GEORGETOWN

Jamaica

Jamaica National Investment Promotion (JNIP)
Attn: Ms C. McLARTY
P.O. Box 889
12 Ocean Boulevard KINGSTON
Tel: 94000 — Tlx 2487 Janico

St Lucia

St Lucia Development Corporation
P.O. Box 495 CASTRIES
Tel: 3614/5 — Tlx 6387 NDC

St Vincent and the Grenadines

Development Corporation
Attn: Mr. A. T. NOORANI
P.O. Box 841 KINGSTOWN
Tel: (809-45) 71358
Tlx VQ 7522 VIN BANK

Surinam

INDEX
Attn: General Manager, Mr. R. A. LETER
Rust en Vredestraat 79-81
Postbus 1275 PARAMARIBO
Tel: 74830 — Tlx 285 INDEX SN

Trinidad and Tobago

Dr. P. GONZALES
67 Albert Street
Woodbrook
PORT OF SPAIN
Tel: 62-24707
and (Special correspondent)
Trinidad and Tobago Manufacturers' Association
Attn: Mr. TEELUCKSINGH
20 Herbert St
P.O. Box 971
ST CLAIR, PORT OF SPAIN
Tel: 622547/2 — Cable TRINMAN

PACIFIC

Fiji

Economic Development Board
Attn: Mr. Narendra SINGH, Director
1st Floor
Velop House
371 Victoria Parade SUVA
Tel: 313295

Kiribati

No antenna yet
Contact point:
Secretary,
Ministry of Trade, Industry and Labour,
P.O. Box 69 TARAUA
Bairiki

Papua New Guinea

No antenna yet
Contact point:
Division of Industrial Development
Department of Industry
P.O. Box 5644 BOROKO
Tel: 272 286 — Tlx NE 22375

Solomon Islands

Development Bank of the Solomon Islands (DBSI)
Attn: General Manager
P.O. Box 760 HONIARA
Tel: 595/596/150
Telex Development Bank Solagy 66350

Tuvalu

No antenna yet
Contact point:
Ministry of Finance
FUNAFUTI

Tonga

Tonga Development Bank
Attn: Mr. L. AKOLO, Managing Director
P.O. Box 126 NUKU'ALOFA
Tel: 21-333 — Tlx 66206 DEVBANK

Vanuatu

Vanuatu Development Bank
Attn: Mr. C. BASTIEN, General Manager
Rue de Paris PORT-VILA
Tel: 218 — Tlx 1049 VATUBK NH

Western Samoa

Development Bank of Western Samoa
Attn: Mr. LEUNG-WAI, General Manager
P.O. Box 1232 APIA
Tel: 22 881 — Cable: DEVBANK

July - December 1982

ACTIVITIES IN THE FIELD

A summary intended to demonstrate the range of assistance which CID can provide.

NEW INDUSTRIES

• **Cameroon.** *Integrated wood carbonization.* Carbonization tests of wood and agricultural waste materials from Cameroon were undertaken in a pilot plant, in December 1982. It is expected that the project will be implemented in 1983.

• **Cameroon.** *Piggery and animal feeds.* A final implementation study and financial negotiations were undertaken with CID assistance. Construction started in October 1982.

• **Cape Verde.** *Mini-cement plant.* A geological survey co-financed by the CID was completed and negotiations with financial institutions were started.

• **Communauté Economique des Pays des Grands Lacs (CEPGL).** *Metal containers.* A senior staff member of CEPGL was temporarily attached to CID to complete a preliminary study in collaboration with the Belgian Institute for Packaging. This study is now under consideration.

• **Djibouti.** *Tannery.* The CID financed an assessment, by an independent consultant, of the feasibility study undertaken by the French joint venture partners. The CID also financed the translation of a summary of the study into Arabic and English to provide a basis for financial negotiations with an Arab fund.

• **Gambia.** *Tannery.* Following a visit by a CID staff member to Gambia in November 1982, the joint venture agreement with the Belgian partners was signed. Legal and administrative procedures, necessary for implementation, are now being carried out.

• **Kenya.** *Diesel engine re-building.* A feasibility study cofinanced by the CID was completed in November 1982 and negotiations began between the UK technical partners and the Kenyan-British sponsors.

• **Kenya.** *Lubrication oil recycling.* A technical cooperation agreement with a German firm was signed and, following a CID mission to Nairobi in November 1982, arrangements for implementation assistance were made under which the CID will provide an engineer to help coordinate the local manufacture of about 40% of the plant, thus considerably reducing investment costs.

• **Kenya.** *Cinchona bark extraction.* A feasibility study co-financed by the CID was completed. Following a CID mission to Kenya in November 1982, negotiations began with bark suppliers, financial institutions and potential EEC partners.

• **Nigeria.** *Infusions solutions.* New Italian joint venture partner, identified by the CID early in 1982, completed a compre-

hensive feasibility study before the end of the year. The project company is now incorporated and a know-how agreement was signed.

• **Nigeria.** *Work on various feasibility studies* co-financed by the CID started in October/November 1982:

- rehabilitation and expansion of a shoe factory
- relocation and expansion of a garment factory
- industrial rubber products
- reactivation of a disposable hypodermic syringe factory
- refrigerators

• **Sierra Leone.** *Wheelbarrows, corrugated roofing sheets.* Towards the end of 1982, preparatory work started, with two Danish firms, to lay the groundwork for feasibility studies. Desk studies had previously been carried out within CID together with a promotional attaché from Sierra Leone who stayed with the Centre for three months.

• **Sudan.** *Shoe manufacturing.* During a joint mission to Khartoum in November 1982 by the British joint venture partners and the CID, a preliminary agreement was signed with the local sponsors. The CID is now helping to update the financial data following the recent devaluation of the Sudanese pound. Detailed technical specifications are being prepared by the British partner.

• **Sudan.** *Agricultural implements.* Field tests of the equipment provided by the French joint venture partners were successfully completed towards the end of 1982. It is expected that the implementation study will be undertaken in early 1983 with financial assistance provided by the CID.

• **Swaziland.** *Fruit processing.* Field work for a feasibility study was completed in 1982 by the French joint venture partners. The study was presented in January 1983 with agreement in principle, by all partners, to proceed to implementation.

• **Togo.** *Integrated farm-based industries.* In order to assist a large farm to examine possibilities for rice and maize processing and for the generation of energy from agricultural waste, the CID cofinanced a feasibility study which was completed in January 1983.

• **Upper Volta.** *Goose breeding and processing.* The CID sponsored a visit by the French technical and marketing partners to Upper Volta, in November 1982.

• **Western Samoa.** *Integrated carbonization of coconut shells for supply of energy to an oil mill.* In November 1982, the

German technical partners submitted a feasibility study which had been financed by the CID. This study is now being evaluated by the local sponsors.

REINFORCEMENT OF EXISTING INDUSTRIES

• **Burundi.** *Lake fishing.* Advice and training have been given for the creation of a new commercial fishing enterprise on Lake Tanganyika. This involved major alterations to a vessel and the instruction of local personnel on trawling operations.

• **Ethiopia.** *Tyre production.* The CID has helped in a major study for the reorganisation and expansion of the country's main tyre manufacturing plant. The study is now under consideration by the tyre company.

• **Grenada.** *Perfumes.* An investigation was carried out on the potential for expansion of an enterprise making perfumes and other cosmetic preparations. European technical partners are now being sought.

• **Togo.** *Soap factory.* A study was completed to revive and modernize a plant producing household and toilet soaps. The recommendations are being studied.

• **Uganda.** *Furniture.* The CID assisted a small firm with the supply of vital spare parts for the resumption of production.

• **Vanuatu.** *Buttons (expansion).* The CID cofinanced a study by the French joint venture partner for the expansion and financial restructuring of the Vanuatu company.

TRAINING

• **Fiji.** *Suitcase manufacture.* Training was arranged in the operation of new equipment for the production of fibre suitcases.

• **Liberia.** *Paint, aerosols and cans.* Arrangements were made to provide training in manufacturing in factories in Holland, England and Germany.

• **Senegal.** *Chemical industries.* Help was given for the training, in France, of two technicians from a chemical plant.

• **Somalia.** *Sugar processing.* A training course was arranged in Mauritius for a Somalian technician from the JUBA sugar project.

• **Trinidad.** *Steel rolling.* Six technicians were trained in Italy, with CID assistance, in the operation of steel rolling equipment.

ADAPTED TECHNOLOGIES

Adapted technologies suit the socio-economic conditions of ACP countries. They answer the needs of small to medium sized firms and their hallmarks are: low investment levels, the use of local raw materials, an output which satisfies the basic needs of the local population, high employment in relation to investment, technical simplicity and ease of implementation. ACP sponsors are invited to contact CID for further details of any technology outlined in this section. CID can help with implementation.

FUEL FROM AGRICULTURAL WASTE

In November 1982, a plant for manufacturing combustible briquettes from coffee husks came into operation—with CID assistance—in Kigali, Rwanda. A similar plant went into production at about the same time in Burundi.

This plant is included in CID's Inventory of Adapted Technologies. The briquettes which it produces can be used to replace wood as a fuel for domestic and industrial purposes. This would be valuable in areas which need wood for fuel but where deforestation is a problem. ACP promoters may contact CID for fuller details of this technology. CID may be able to assist them in setting up a plant.

ADAPTED TECHNOLOGY ESTABLISHED WITH CID ASSISTANCE IN RWANDA.

A lorry unloads coffee husks for the Kigali briquette-making plant.

The final product—briquettes which can be used for cooking or as an industrial fuel.

The Rwanda plant has a capacity of 300 kg/hour, or 600 tons of briquettes per year. This capacity will quickly be raised to 4,000 tons per year to absorb the supplies of coffee husks available in the Kigali region. Other materials will also be processed: paddy husks, bagasse, papyrus, and sawdust. The briquettes will be sold on the local market as combustible fuel for domestic and industrial use. They will replace wood which is becoming scarce.

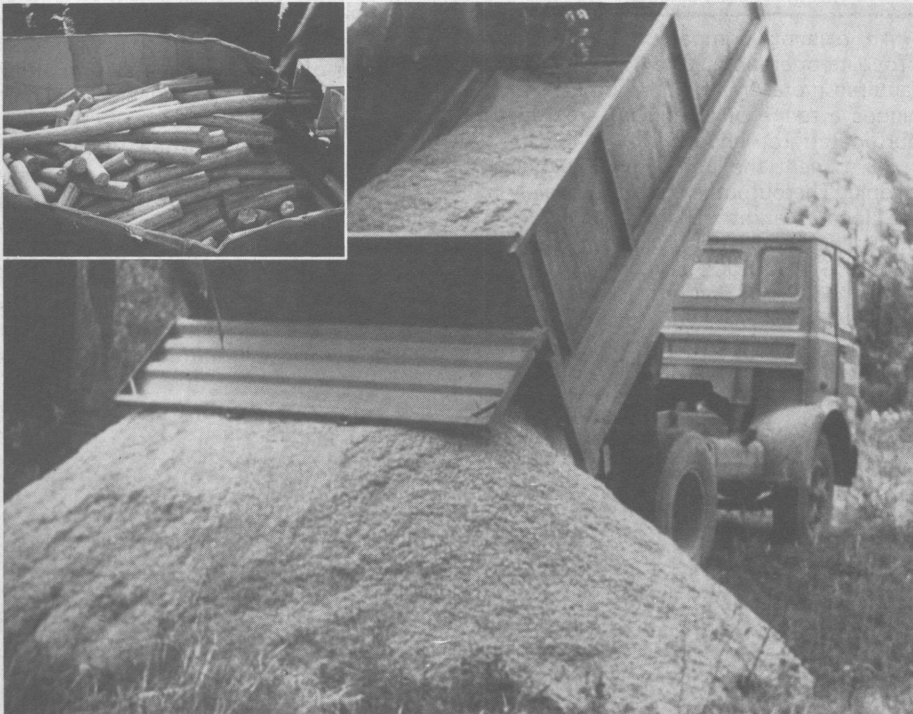
Investment amounts to 56,000 \$. The turnover for the first year of production will be 34,000 \$ and the extension of capacity to 4,000 tons/year will be financed with the plant's own funds. Some 10 persons will be employed.

The CID invites enquiries from any ACP promoter who thinks such a plant would make a suitable project in his area.

NOTE

An inventory of adapted Technologies has been prepared by CID for the benefit of ACP sponsors. It is available to them on request.

EEC industrialists who have developed adapted technologies can benefit from CID's services for the circulation of their technologies in ACP countries. ■



OFFERS FROM EEC FIRMS

ACP ENTREPRENEURS PLEASE REPLY

ACP entrepreneurs are invited to contact CID, quoting the reference number, in response to any offer outlined in this section. ACP entrepreneurs must supply the CID with background information about their industrial and commercial activities. They must also provide a short assessment of the viability of the proposed project, giving details of the potential market.

Organisations reprinting these offers in their own publications are asked to ALWAYS include the CID reference numbers.

Thermal insulation panels for buildings A Belgian offer

Ref. 83/21a

A Belgian company specialized in the manufacture of insulating polyurethane sandwich panels on metal sheets or other materials, wishes to establish contacts with ACP firms to set up local production. The Belgian company can provide equipment and technical and training assistance. It is open to all types of cooperation.

The minimum capacity would be around 200,000 square meters a year with 3 shifts. The cost of the machinery is approximately 230,00 US\$ FOB.

The process is suitable for the insulation of cold storage warehouses or other buildings using deep freeze equipment, and for all types of dwellings and industrial buildings.

Assembly of Stainless Steel Sinks An Irish offer

Ref. 83/22a

An Irish company is interested in supporting ACP parties who wish to set up an assembly unit for stainless steel sinks.

Such an assembly unit would use the Irish firm's components and know-how. The Irish firm would participate in training and is prepared in principle to take a share of the equity.

The cost of the equipment is around 100,000 US\$ ■



OFFERS FROM ACP SPONSORS

EEC INDUSTRIAL PARTNERS WANTED

EEC industries are invited to contact CID, quoting the reference number, in response to any offer outlined in this section. CID will answer questions on any item and will indicate the kind of assistance it can provide. EEC industries should give a brief description of their operations; and, in relation to the proposed project, they should state the kind of involvement which they envisage.

Organisations reprinting these offers in their own publications are asked to ALWAYS include the CID reference numbers.

Fertilizer for sugar and copra industries

FIJI — Ref. 83/11a

A private Fiji firm is interested in setting up a plant to bag fertilizer in bulk, and eventually to manufacture fertilizers. The annual capacity envisaged: super single phosphate (SSP) 33,000 tonnes and sulphuric acid 16,000 tonnes. It is anticipated that all the output would be sold on the local market.

The Fiji firm is looking for a joint-venture partner, willing to take a share of the equity and able to supply technology and management.

Toy firm wants to expand and diversify

GHANA — Ref. 83/12a

A manufacturer of wooden toys would like to expand and diversify production and is looking for a joint-venture partner to supply technology and markets outside Ghana.

Making small flour mills

GUINEA — Ref. 83/13a

A small private firm wishes to expand and diversify its range of products. It is particularly interested in producing agricultural items such as small flour mills and dehuskers. The products would be destined for the local market.

The Guinea firms seeks a technical partnership under a joint-venture agreement with an EEC company. An equity participation would be expected of the European partner.

School chalk for home and export markets

UPPER VOLTA — Ref. 83/14a

A private sponsor wishes to produce chalk pieces for schools—7,300,000 units per year—for local and export markets. A technical partnership is sought under a joint venture agreement with an EEC company. The European partner would be expected to take some equity in the company.

Sawn timber, doors and other wood products

IVORY COAST — Ref. 83/15a

A integrated timber complex wants to restructure its operations to make a range of products including veneers, plywood, and doors. This company has access to local raw materials. *An EEC joint-venture partner is required who will supply know-how and markets. The financial contribution of the European firm is negotiable.*

Designs wanted for shell jewellery

VANUATU — Ref. 83/16a

An existing enterprise manufacturing buttons from trochas shells is looking for designs, technical advice and marketing contacts for the manufacture of bracelets, necklaces, pearls and other such "fashion" jewellery from the trochas waste generated by the button factory.

European firms should be ready to make design and know-how arrangements, but no capital involvement is required.

Metal frames and corrugated iron sheets

BENIN — Ref. 83/17a

An existing company wishes to improve its operations. The company manufactures metal frames. Its output also includes a range of aluminium articles and corrugated iron sheets.

At present the company employs 37 people. The output is absorbed mainly by the local market. There are, however, some sales to Nigeria. Current turnover is about US \$500,000 a year.

An EEC joint-venture partner is required. The partner would take a share of the equity, assist in the management and provide know-how.

Leather manufacturer expands production

NIGERIA — Ref. 83/18a

A small Nigerian firm which makes leather school bags, briefcases and handbags, wishes to expand production. Current output is between 30,000 and 50,000 units per year. *A technical partnership is required under a joint venture agreement with an EEC company.*

Roasted coffee for export

TOGO — Ref. 83/19a

A private sponsor is looking for a joint-venture partner to set up a small coffee-roasting units. The envisaged capacity is around 50 tonnes per year and 80 % of the output would be exported.

The EEC partner should be willing to take a share of the equity and would provide know-how and marketing assistance.

Parastatal body wants packaging project

TANZANIA — Ref. 83/20a

A parastatal body seeks an EEC joint-venture partner to set up a project for the production of kraftliner and fluting board. The envisaged capacity is 9,000 tonnes a year. *The European partner should supply management and know-how.*

Breeding of sea turtles

MAURITIUS — Ref. 83/23a

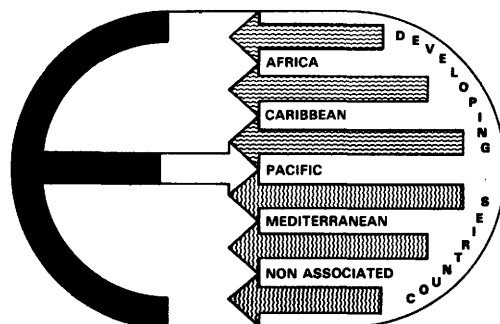
The project concerns the breeding of "Chelonia Mydas" and its processing into food, leather products, jewellery and basic products for the cosmetic industry. The total output will be for export.

Capacity envisaged: 1000 to 3000 tons of turtles a year. Breeding to start in 1983. Processing operations to begin 3 years after start-up of breeding.

Number of jobs envisaged: 40 in 1983 and 372 for 1986. Total investment over 3 years around 4,300,000 US \$ (47 % of this required at start of operations).

Partners are required for the establishment of a joint venture for the processing of the turtles into various products. The joint venture partners should be willing to provide 30 % of investment in processing equipment. They should also assist with know-how and with the marketing of the various products in Europe. ■

Operational summary of EEC-financed development schemes



OPERATIONAL SUMMARY No. 15 – March 1983

(position as of 15 February 1983)

The following information is aimed at showing the state of progress of EEC development schemes prior to their implementation. It is set out as follows:

Geographical breakdown

The summary is divided into three groups of countries, corresponding to the main aspects of Community development policy:

- the ACP countries (Africa, the Caribbean and the Pacific), which signed the multilateral conventions of Lomé I (28 February 1975) and Lomé II (31 October 1979), plus the OCT (overseas countries and territories) of certain member states of the EEC, which get the same type of aid as the ACP countries;
- the Mediterranean countries (Maghreb and Mashraq), which signed cooperation agreements with the EEC in 1976 and 1977;
- the non-associated developing countries of Asia and Latin America, beneficiaries since 1976 of annual aid programmes.

The information within each of these groups is given by recipient country (in alphabetical order).

Note

As the information provided is subject to modification in line with the development aims and priorities of the recipient country, or with the conditions laid down by the authorities empowered to take financial decisions, the EEC is in no way bound by this summary, which is for information only.

Information given

The following details will usually be given for each development scheme:

- the title of the project;
- the administrative body responsible for it;
- the estimated sum involved (prior to financing decision) or the amount actually provided (post financing decision);
- a brief description of projects envisaged (construction work, supplies of equipment, technical assistance, etc.);
- any methods of implementation (international invitations to tender, for example);
- the stage the project has reached (identification, appraisal, submission for financing, financing decision, ready for implementation).

Main abbreviations

Resp. Auth.: Responsible Authority
Int. tender: International invitation to tender
Acc. tender: Invitation to tender (accelerated procedure)
Restr. tender: Restricted invitation to tender
TA: Technical assistance
EDF: European Development Fund
mECU: Million European currency units

Correspondance about this operational summary can be sent directly to:

Mr. Franco Cupini
Directorate General for Development
Commission of the European Communities
(ARCH.25/1-1)
200, Rue de la Loi
B-1049 Brussels

who will pass on requests for information to the services in charge of projects.

ACP STATES

★ Denotes new projects

BAHAMAS

Food technology laboratory. Resp. Auth.: Ministry of Agriculture and Fisheries, Nassau. 0.800 mECU. Establishment of first food technology laboratory in the Bahamas. Gross area 520 m² consisting of a chemical and microbiological laboratory, pilot processing plant, store rooms and offices. Building construction: direct agreement. Equipment and fittings: int. tender. TA: two food technologists specialist in processing and in standards and quality control. Contracts: in '83. Project in execution. 4th EDF.

BARBADOS

Trade Promotion Programme. Resp. Auth.: Barbados Export Promotion Corporation. 0.175 mECU. T.A., Trade promotion, Training, Research. 5th EDF.

BENIN

Djougou-Porga road. Resp. Auth.: Ministère des Travaux Publics. Intermittent road improvements over 180 km. Economic study: SEDES Consultant (F). Technical study: BELLER Consultant (D). 4th EDF.

Dassa-Parakou road. Resp. Auth.: Ministère des Travaux Publics. 0.7 mECU. Reinstatement and asphaltting of the road (210 km). Economic study: Technosynesis (I) and Carrara (ACP). 4th EDF. Works 5th EDF.

Upgrading of health service infrastructure in Porto Novo Hospital. Resp. Auth.: Ministère de la Santé Publique. Porto Novo: renovation and construction of the hospital building and equipment. New technical and architectural studies to be prepared. Short list done. 4th EDF.

Parakou polytechnical complex. Resp. Auth.: Ministère de l'Enseignement Moyen, Général, Technique et Professionnel. Total estimated cost 6.9 mECU. Construction of 8 000 m² of pedagogical and administrative buildings and hostels. Supplies and equipment. Technical and architectural study: Arch. VINO (Local). Project on appraisal. Date foreseen for financial decision 1st half 84. 4th EDF.

Cotonou maternity hospital. Resp. Auth.: Ministère de la Santé Publique. ±1 mECU. Works: Acc. tender. Equipments: int. tender in '83. Date foreseen for financial decision: 1st half '83. 4th EDF.

Continuation and extension of fishery development project. Resp. Auth.: Ministère des Fermes d'Etat, de l'Elevage et de la Pêche. 1.7 mECU. T.A.: C.T.F.T. (F). Project in execution. 5th EDF.

Livestock development in the Borgou region. Resp. Auth.: Ministère des Fermes d'Etat, de l'Elevage et de la Pêche. Numerical and stabilizing cattle improvement for meat production increase. Study on hand: SCET International (F). Project on appraisal. 5th EDF.

Geological mapping and mining research between 9th parallel and Ocean. Resp. Auth.: Ministère de l'Industrie et de l'Artisanat. 3.640 mECU. National mineral resources development. Drawing up a geological chart, surveys, supplies. Project on

appraisal. Date foreseen for financial decision April 83. 5th EDF.

Rural Hydraulics. Resp. Auth.: Ministère de la Santé Publique and Ministère des Travaux Publics. Estimated cost 4.5 mECU. Water points. Establishing a maintenance service. Nationals training. Works, supplies and T.A. Int. tender for wells and supply of pumps launched August '82. Project in execution. 5th EDF.

BOTSWANA

Trade promotion. Resp. Auth.: Ministry of Commerce and Industry — Trade Promotion Unit (TPU). 1.1 mECU. TA, marketing studies, training. Date financial decision October '82. 5th EDF.

Villages Water Supplies. Resp. Auth.: Ministry for Mineral Resources and Water Affairs. Planning Study; short-list already drawn up. Project on appraisal. 5th EDF.

BURUNDI

Consolidation of tea production. Resp. Auth.: Ministère du Plan. 8.9 mECU. To increase productivity and to improve quality production of tea projects previously financed. TA foreseen for 6 years, '81 to '86: A.H.T. (D). Crop inputs: int. tender '83 to '84. Project in execution. 4th EDF.

Institut Universitaire de Sciences de l'Education (IUSE). Resp. Auth.: Ministère de l'Education Nationale — 0.7 mECU. Construction and equipment of educational buildings (general teaching classes, laboratories, workshops). Architectural and technical studies: TETRA Consultants (Lux). Evaluation study: DURIAU (B). Project on appraisal. 4th EDF.

Rural development of East Mpanda. Resp. Auth.: Ministère de l'Agriculture. Development of 5 950 ha of land — irrigation, construction of a road network, socio-economic infrastructure, for a population of 5 320 families (of which 3 835 are to be installed). Duration 7 years. Estimate 50 mECU. Cofinanced project. Foreseen funding: IFAD — Local — AFDF — OPEC — PAM. Project in execution. Discussion on EDF participation. 5th EDF.

High altitude foodcrop production. Resp. Auth.: Ministère de l'Agriculture. First phase (4 years), estimate 8.3 mECU. Cofinanced project. Production of selected seeds, their distribution and commercialization of surplus products, fertilizer and plant-health products, training. Foreseen funding: Local 0.4 mECU — USAID 4.1 mECU — EDF 3.8 mECU. Int. tender 1st half '83. T.A.: A.H.T. (D) Project in execution. 5th EDF.

Livestock development project. Resp. Auth.: Ministère de l'Agriculture. Estimated Cost: ±1 mECU. Supply of equipment and T.A. Study: SEDES Consultant (F). Project on appraisal. 4th EDF.

Remera tea factory. Resp. Auth.: Ministère du Plan. Tea factory building for 600-700 tons/year. Project stage: identification. 5th EDF.

Tora region electricity supply. Resp. Auth.: REGIDESO. 3 mECU. Construction of medium voltage electric lines. Int. tender

foreseen in 1st half 83. Date foreseen for financial decision March 83. 5th EDF.

Bujumbura naval ship yard. Resp. Auth.: Ministère des Transports. Study on hand by I.P.G. (D). 4th EDF.

Rwegura. Hydro-electric power station. Resp. Auth.: Ministère de l'Energie des Mines et des T.P. Estimated total cost 71 mECU. EDF part estimated at ±8 mECU. Foreseen cofundings with KFW (D), CCCE (F), BAD, Kuwait Funds. EDF part for electromecanical equipment. Prequalification launched November 82. Int. tender in 1st half '83. Date foreseen for financial decision May 83. 5th EDF.

Kitaba-Gihofi road. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 9 mECU. Asphaltting of the road. 28.5 km. Date financial decision January '83. Works: int. tender launched December 82. 5th EDF.

★ **Faculty of Agronomy.** Technical and architectural study. Short-list already drawn up. Project on appraisal. 5th EDF.

CAMEROON

Douala-Yaoundé road. Resp. Auth.: Ministère de l'Equipeement. Construction of a modern road and new bridge (±311 m) over Dibamba-river. Estimated cost: 220 mECU. Cofinancings: Af.D.B. ABEDA, FRANCE, EDF, NETHERLANDS, KUWEIT, IDB, WORLD BANK, CANADA. Local. EDF: part for the bridge. Supervision of work financed by non EDF donors. Works: int. tender launched in August '82 for the bridge. Date foreseen for financial decision February 83. 4th and 5th EDF.

Transcam — realignment of Eseka-Maloume railway. Resp. Auth.: Office des Chemins de Fer Transcamerounais (OCFT). Geotechnical study: Coyne et Belier (F). Economic Study: Sofrerail-OCCT Inter Co (F). 4th EDF. Works, 5th EDF with cofinancing. Estimated cost: ±120 mECU. Works: int. tender with prequalification foreseen, 1st quarter '83. Prequalification launched November 82.

Rural development in the Benoué upper valley. Resp. Auth.: Ministère de l'Agriculture and Ministère de l'Urbanisme et de l'Habitat. (Mission de développement de la Benoué — Garoua). Estimated total cost 22.4 mECU. EDF 12.880 mECU, France 1 mECU. Local 7 mECU. Strengthening, continuation and extension current operations. T.A.: NEDECO (NL). Supplies: int. tender launched August '82. Project in execution. 5th EDF.

Rural development in Logone and Chari departments. Resp. Auth.: Ministère de l'Agriculture. (SEMRY). Continuation and extension current operation, study on hand: Hydroplan (D) - 5th EDF.

Trade promotion programme. Resp. Auth.: C.N.C.E. 0.650 mECU. Organisation and improvement of the production. T.A. to the C.N.C.E., short list already drawn up. 5th EDF.

CAPE VERDE

Sal international airport improvement.

Underground water research in the Praia region. Resp. Auth: Secretariat du Plan. Estimated cost ± 1 mECU. Study: Administration. Date foreseen for financial decision. 2nd quarter '83. 5th EDF.

Civil works for laboratory construction.
Resp. Auth.: Secretariat au Plan. Estimated
cost 0.066 mECU. Construction of a labora-
tory for soil and rock mechanics in St. Jorge.
Date foreseen for financial decision 2nd
quarter '83. 4th EDE

Renovation and equipment of Lycée Technique de Bangui. Resp. Auth.: Ministère de l'Education. 0.800 mECU. Supply of equipment and renovation works. Studies: O.R.T. (UK). Date foreseen for financial decision: 1st quarter '83. 5th EDF.

Livestock development at Ouaka and Basse Kotto. Resp. Auth.: Ministère de l'Agriculture et de l'élevage. 3.34 MECU. Works, supply of: vehicles, equipment, furniture and T.A. Works, by direct labour, supplies: int. tender. T.A: direct agreement. Date foreseen for financial decision, March 83. 5th EDF.

CHAD

★ **Health programme.** Resp. Auth.: Ministère de la Santé. Estimated total cost 6.561 mECU. EDF 5.515 mECU — Médecins sans Frontières 0.557 mECU — Avions sans Frontières 0.180 mECU — Local 0.309 mECU. Works, supply of medicals and medical equipment and T.A. Date foreseen for financial decision March 83. 5th EDF.

Economical and technical study to assess harbour infrastructure in Grande Comore and in Mohéli. Resp. Auth.: Ministère des Travaux Publics. NEI-D.H.V. (NL). Project on appraisal. 5th EDF.

Fomboni water supply. Resp. Auth. : Ministère du Plan. 0.700 mECU. Renovation of installation and drinking water network in the chef-lieu of Moheli island. Works by di-

CONGO

Sanitary and social actions. Resp. Auth. : Ministère de la Santé Publique. Study and construction of the Ouesso hospital and construction of the Ecole de formation paramédicale et médico-sociale J.J. Loukabou (Brazzaville). Appraisal of the project after sanitary programming and technical studies. Project stage : identification. 5th EDF.

**Medical equipment for the Peltier Hos-
pital.** Resp. Auth.: Ministère de la Santé.
0.660 mECU. Supply and transport. Date
foreseen for financial decision February 83.
5th EDF

DOMINICA

Crop diversification project. Estimated cost 0.547 m ECU. Continuation of essential oils programme. Initiating floriculture programme. Works, supplies and T.A. Project on appraisal. Date foreseen for financial decision 1st half 83. 5th EDE.

ETHIOPIA

Fishery Development. Resp. Auth.: Fisheries Development and Marketing Corporation. 2.078 mECU. EDF 1.513 mECU, Local 0.565 mECU. Supply of equipments, facilities and T.A. Supplies: int. tender in '83. T.A.: GOPA (D). Project in execution. 4th EDF.

Electrical tariffication study. Resp. Auth.: E.EL.P.A. Short-list already drawn up. Project on appraisal. 5th EDF.

FIJI

Trade promotion. Resp. Auth.: Economic Development Board (EDB). 0.350 mECU. T.A. and training. Date foreseen for financial decision February 83. Project on appraisal. 5th EDF.

GABON

Mining and geological inventory in 3 sections. Resp. Auth.: Ministère des Mines et du Pétrole. Direction Générale Mines et Géologie. Section 1: Radar survey done. Section 2: Aerial-geophysical survey: CGE (F) EDF-GABON. Section 3. Soil prospection (FAC-GABON). EDF part 5th EDF, 3.212 mECU. 5th EDF.

Small-fishery centre in Owendo. Resp. Auth. : Ministère, des Eaux et Forêts. Total cost 2.450 mECU EDF 1.900 mECU. Italy 0.425 mECU, local 0.125 mECU. Infrastructure for handling facilities for boats and fish products, marketing and management. T.A. and supervision of works, direct agreement on 1st quarter '83. Date financial decision December '82. 5th EDF.

GAMBIA

Brikama College, phase II. Resp. Auth.: Ministry of Works and Communications. 1.925 mECU. Construction and equipment of academic and residential buildings. Works by mutual agreement. Equipment for phase II: int. tender, 1st half 1983. 4th EDF.

Banjul sewerage and drainage project.
Resp. Auth.: Ministry of Works. Estimated
Cost: ± 15 mECU. Cofinancings: BAD/FAD
7.3 mECU, EDF 3.5 mECU, KFW (F.R.G.)
3.3 mECU, Local 0.9 mECU. Construction of
a sewerage and drainage network, 2 pump-
ing stations. T.A. and training. T.A.: GITEC
(D). Works: int. tender, with prequalifica-
tion. Prequalification launched end of Janu-
ary 83. 5th EDF.

Rural vocational training, phase 2.
 Resp. Auth.: Rural Vocational Training
 Board and Directorate of Vocational Training
 in the President's Office. 0.500 mECU.
 Supply of pedagogical equipment, by Acc.
 tender. Date foreseen for financial decision
 April '83. 5th EDF.

GHANA

Central and Accra Regions Rural Integrated Programme (CARRIP). Resp. Auth.: Ministry of Finance and Economic Planning. Prefeasibility study for potential projects within the two regions, with the aim of improving the food situation in Accra and other coastal towns. Halcrow-U.L.G. (UK). Study: rehabilitation irrigation project: HED-SELSKABET (DK). 5th EDF.

Aveyme livestock development. Resp. Auth.: Ministry of Agriculture. 3.2 mECU. Works, supply of vehicles and equipment. T.A.: short-list already drawn up. 5th EDF.

GRENADA

Eastern Main Road Rehabilitation Phase 2. Repairing and strengthening of a section of the circular road. Estimated cost 1.350 mECU. Project on appraisal. 5th EDF.

Hillsborough Jetty. Resp. Auth.: Ministry of Public Works. 0.357 mECU. Construction of a jetty for goods and passenger handling. 5th EDF.

GUINEA

Land development in Kankan and Labé regions. Phase II. Resp. Auth.: Ministère de l'Agriculture et des F.A.P.A. Valuation: Mac Donald and Partners (UK). Project on appraisal. 5th EDF.

New energy research and test. Resp. Auth.: Ministère de l'Energie et du Konkouré. Study on hand. 5th EDF.

Cotton development. Resp. Auth.: Ministère de l'Agriculture, des Eaux, Forêts et FAPA. Rural infrastructure, supply of rural inputs, equipment, vehicles and T.A. Project on appraisal, 5th EDF.

Town planning and construction of council houses. Resp. Auth.: Ministère de l'Urbanisme et de l'Habitat. Estimated cost 9 mECU. Buildings, supply of equipment and T.A. Project on appraisal. 5th EDF.

T.A. to P.M.E. (S.M.E.). Resp. Auth.: Ministère de P.M.E. et de l'Artisanat. 5 mECU. One expert specialised in industrial work during 36 months and one expert for bank management. Line of credit. Date foreseen for financial decision April 83. 5th EDF.

GUINEA BISSAU

Improvement of small scale fishing in Cacheu. Resp. Auth.: Secrétariat d'Etat pour la pêche. 1.970 mECU. Improvement of infrastructure and equipment. Cold factory. Works: Acc. tender. Supplies: int. tender launched in December 82. T.A.: IDRO-CONSULT (I). Project in execution. 4th and 5th EDF.

Bafata Gabu rural development. Resp. Auth.: Commissariat Général au Développement Rural. EDF 6.8 mECU, F.A.C. 4 mECU. Crop production development (cotton, peanut, cereals) by harnessing cultivation, rural credit and correct crop trading. Supply of crop inputs by int. tender in '83. T.A.: by C.F.D.T. (F). 5th EDF.

Rio Campossa Bridge. Resp. Auth.: Commissariat d'Etat aux Travaux Publics. Estimated cost 2 mECU. Bafata-Bambadinca Road. Works, supply may be, T.A. Study STINCEN (I). Project on appraisal. Int. tender conditional upon provisional finance foreseen in April 83. 5th EDF.

Health infrastructures. Resp. Auth.: Commissariat d'Etat au Travaux Publics. Estimated cost 1.9 mECU. Construction and equipment of 2 district hospitals, 4 health centres and staff-housing. Supply of equipment: int. tender on 1st half 83. T.A.: Ass. Engineers (I). 5th EDF.

North-East forestry development. Resp. Auth.: Commissariat général au développement rural. Study on the way by Atlanta (D). 5th EDF.

Rural hydraulics. Resp. Auth.: Ministère des ressources naturelles. Estimated cost 1.4 mECU. Construction of big diameter wells (1.5 m) about 120 wells in the GABU region. Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

GUYANA

East Bank Berbice rural development programme. Resp. Auth.: Ministry of Agriculture. Works: feeder roads, infrastructure. Supply of fertilizers and equipments. T.A. Project stage: identification. 5th EDF.

Faculty of Agriculture. Estimated cost 1.100 mECU. Construction, supply of equipment and supervision of works. Technical study and tender dossier: Rodriguez (ACP). Project on appraisal. 5th EDF.

Rehabilitation of sewerage and water supply systems of Georgetown. 1.6 mECU. Laying sanitation pipes, construction of water supply wells. Supplies and T.A. Supply: int. tender foreseen 1st quarter '83. 5th EDF.

Georgetown water supply improvement. Drinking water production. Works and equipment. 0.400 mECU. Project on appraisal. 5th EDF.

Fishing port and fish-market in Georgetown. Building of a new port and fish market in Georgetown. 2.700 mECU. Date foreseen for financial decision 2nd quarter '83. 5th EDF.

IVORY COAST

Trade promotion programme. Resp. Auth.: Centre Ivoirien du commerce Extérieur (CICE). EDF part 2.325 mECU. Local 8 mECU. EDF: vocational training actions (seminars and training) and products promotion (studies, marketing) and monitoring. T.A.: foreseen until end '83 for european offices and until end '85 for CICE in Abidjan. T.A.: direct agreement after prequalification. 5th EDF.

JAMAICA

Assistance to Veterinary Services. Resp. Auth.: Ministry of Agriculture. 1.1 mECU. Works: construction of office by direct labour, supply of equipments, vehicles, medical products, int. tender or direct agreement. T.A.: training by direct agreement. Date foreseen for financial decision, February 83. 5th EDF.

Board of Revenue — Revenue Information System. Resp. Auth.: Govt of Jamaica. 3.26 mECU. Reorganisation of the administration and preparation of the Revenue Information System. Supplies and T.A. Int. tender for supplies foreseen in March or April 83. Date financial decision January '83. Supervision of project: X-TRA Consult. (B). 5th EDF.

★ **Rural electrification programme.** Erection of 160 miles electric lines. Estimated cost 4.596 mECU. EDF part 2 mECU. Project on appraisal. 5th EDF.

KENYA

Machakos integrated development programme. Phase II. Resp. Auth.: Ministry of Economic Planning and Development Valuation study on the way: Overseas Dev. Int. (UK).

Kenya Trade Promotion. Resp. Auth.: Kenya External Trade Authority. 1 mECU. T.A. for sales and marketing missions, provision of equipment and materials for the Training Division. Project in execution. 5th EDF.

Eldoret Polytechnic. Estimated cost. 6 mECU. Construction, supply of equipment (pedagogical) and T.A. Preliminary Plan Study: Hughes & Polkinghorne (ACP). Project stage: identification. 5th EDF.

Veterinary Investigation Laboratory Mariakani. Adm. Resp.: Ministry of Livestock Department. Veterinary Department. 3.4 mECU. Construction of a veterinary investigation laboratory. Supply of materials and equipments. T.A. Materials and equipment: int. tender 1st quarter '83. T.A.: direct agreement. 5th FED.

Turkwell hydro-electric project. Resp. Auth.: Ministry of Energy. Feasibility study to be done. Short-list not yet drawn up. 5th EDF.

KIRIBATI

Rehabilitation of the South Tarawa telephonic network. Resp. Auth.: Controller of Telecommunications of the Ministry of Communications and Works. 2.894 mECU. Works by direct labour. Supply of equipment int. tender launched December 82. Supervision of works: CROWN Agents. (UK). 4th EDF.

LESOTHO

Maseru airport. Resp. Auth.: Ministry of Transport and Communication. Estimation 50 mECU. Provision of a modern international airport 15 km south of Maseru. Foreseen funding: Lesotho - Saudi Fund - Kuwait Fund - ABEDA 4.4 mECU - OPEC - Abu Dhabi - ADB. EDF and Finland. - Project on appraisal. 4th and 5th EDF.

Feasibility study for the project: "Lesotho Highland Water Scheme". Resp. Auth.: Ministry of water resources, energy and mines. Estimated cost ±5 mECU. Int. tender on the way after prequalification. 5th EDF.

Mohale's Hoek - Quthing road. Resp. Auth.: Ministry of Transport and communications. Reinstatement of a road. 50 km. Estimated cost ±15 mECU. EDF contribution estimated for ±8.5 mECU. Cofinancing needed. Project stage: identification. 5th EDF.

Trade and Tourism Promotion Programme. Resp. Auth.: Ministry of Trade, Tourism and Industry — Trade Promotion Unit (TPU) and LNTD (Lesotho National Tourism Office). 0.714 mECU. Studies, T.A. missions, marketing. Date financial decision January '83. T.A. for S.M.E.: short-list already drawn up. 5th EDF.

LIBERIA

Coffee and cocoa development project at Zwedru and Plahn. Resp. Auth.: Ministry of Agriculture 5.7 mECU, EDF 2.9 mECU, Local 2.8 mECU. To develop 980 hectares of robusta coffee and 1 320 hectares of cocoa in Grand Gedeh and Sinoe countries. Works by acc. tender. — Supplies by int. tender in '83. Project in execution. 4th EDF.

Buto oil palm. Resp. Auth.: Ministry of Agriculture. Study on the way by I.R.H.O. (F) for phase 2. 4th and 5th EDF.

Port Development Study South East — Phase II and III. Resp. Auth.: National Port Authority. Continuation of feasibility study. Project on appraisal. 4th EDF.

MADAGASCAR

Bridges over RN 5A, Isesyo-Vohemar. Resp. Auth.: Ministère des Travaux Publics. 13.7 mECU. Reinstatement and construction of bridges. (15). Int. tender launched July '82. Supervision of works: short-list not yet drawn up. Date foreseen for financial decision February 83. 5th EDF.

Supply of pharmaceutical and medical products and analysis of the industrial sector rehabilitation. Resp. Auth.: Gouvernement de Madagascar. 2.165 mECU. Date foreseen for financial decision 1st half '83. Project on appraisal. 5th EDF.

Urgent programme. Resp. Auth.: Ministère de la production agricole et de la reforme agraire. Damage from cyclonic depressions. Rice-growing areas 3 mECU. Works by direct agreement or direct labour. Supervision of works: Hydroplan (D). Rehabilitation study: HUNTINGS (UK) Sambava coconut palm plantations: works by direct labour. 1.2 mECU. 5th EDF.

MALAWI

National rural development programme, phase I Resp. Auth.: Ministry of Agriculture. Integrated rural development programme financed in parallel with other donors. Infrastructural improvement, roads, housing, boreholes. EDF 7.9 mECU, UK 9.0 mECU, Germany 5.1 mECU, IBRD 14.6 mECU, CIDA 2.0 mECU, USAID 0.6 mECU, Local 7.5 mECU. Int. tender for vehicles and equipment launched end of July '82. TA: Hunttings Consultant (UK). Project in execution. 4th EDF.

Blantyre-Mwanza road. Resp. Auth.: Ministry of Works. Reinstatement and asphaltting of the road (± 95 km). Estimated cost 35 mECU. Economical study: Hoff & Overgaard Consultant (DK). Technical study: COWI CONS (DK). Project on appraisal. 4th and 5th EDF.

Dairy cattle development. Resp. Auth.: Ministry of Agriculture. Cross local bovine breed with European dairy breeds. Project on appraisal. 5th EDF.

Improvement of district hospitals and health centres. Resp. Auth.: Ministry of Works. 3.8 mECU. Building of small district hospitals and health centres. Works, supplies and T.A. Project on appraisal. Date foreseen for financial decision February 83. 5th EDF.

★ **Salima Lakeshore Agricultural Development Division (SLADD) Phase IV.** Resp. Auth.: Ministry of Agriculture. Estimated

cost: 19.3 mECU. EDF 10.2 mECU. Local 9.1 mECU. Works, Supplies and T.A. Project on appraisal. Date foreseen for financial decision May 83. 5th EDF.

★ **Central and Northern Region Fish Farming Development, Training and Research.** Resp. Auth.: Ministry of Agriculture. Estimated cost: 3 mECU. Works, supplies, T.A. Project on appraisal. 5th EDF.

MALI

Strengthening of sanitary infrastructure in the Niolo region. Resp. Auth.: Ministère de la Santé et des Affaires Sociales et Ministère des Transports et T.P. 2.570 mECU. Buildings, equipments, training. Architecturals and technicals studies: GOUSIER (F). 4th EDF.

Sevare-San road repairing. Resp. Auth.: Ministère des Transports et Equipment. Complementary study: RAUSCH (Lux). 4th EDF. Works by int. tender in '83. Date foreseen for financial decision May 83. 4th and 5th EDF.

Rural hydraulics. Resp. Auth.: Ministère du Développement Industriel et du Tourisme. Direction de l'Hydraulique. Estimated cost: 3.4 mECU. Water-points. Study: situation of the hydrolic sector in the project area: UNIGEO (I). Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Action programme for Mali development. Resp. Auth.: Ministère du Plan. 2.6 mECU. Actions for rural sector, for tobacco, for "l'office du Niger", seed and crop protection, livestock, human hydraulics, public works and transport. Works, supply of 6 solar pumps and 4 wind pumps, reinstatement of 2 feeder roads and 1 bridge. Works: acc. tender. Supplies: int. tender or direct agreements. Int. tender for 6 solar pumps launched in January 83. 5th EDF.

Renovation of the Badalabougou school-complex in Bamako. Resp. Auth.: Ministère de l'Education. 3 mECU. Works and T.A. Works, acc. tender 2nd half '83. T.A.: Bureau d'Architecture et d'Urbanisme (ACP). Date foreseen for financial decision February '83. 5th EDF.

MAURITANIA

Extension of Kaédi regional hospital. Resp. Auth.: Ministère de l'Équipement. 1.925 mECU. Construction, equipment and TA for Kaédi hospital (100 beds). Works: on the way. Medical-technical equipment int. tender, 2nd half '83. Project in execution. 4th EDF.

Monitoring for small irrigated areas. Resp. Auth.: Ministère du Développement Rural. Estimated cost: 3 mECU. T.A. and monitoring, direct agreement. Supply of agricultural input and pumping equipment: int. tender, in '83. Works by direct labour. Project in execution. 5th EDF.

Regeneration of Gum-tree plantations. Resp. Auth.: Ministère du Développement Rural. Estimated Cost: 1.5 mECU. Feasibility study: Bureau COURTOY (B). Works. T.A. and supplies. Project on appraisal. 5th EDF.

Small dams construction in the Hodh region. Resp. Auth.: Ministère du Développement rural. Estimated cost 3.5 mECU.

Study on the way Binnie and Partners (UK). Project on appraisal. 5th EDF.

Nouakchott - Rosso Road. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 5 mECU. Repairing and reinstatement. Project on appraisal. Int. tender conditional upon provisional finance foreseen March or April 83. Date foreseen for financial decision April 83. 5th EDF.

Livestock development in the South-East. Resp. Auth.: Ministère du Développement Rural. 3.943 mECU. Works, supplies and T.A. Supply of vehicles, equipment and veterinary products, int. tender in '83. T.A.: short-list already drawn up. Works by direct labour. 5th EDF.

Regional capitals water supply. Resp. Auth.: Direction de l'Hydraulique. Estimated cost 2.5 mECU. Studies: deep water research and towns water supply. Short-list not yet drawn up. 5th EDF.

Nouakchott Wharf. Resp. Auth.: Ministère de l'Équipement et des Transports. Estimated cost 1.5 mECU. Maintaining, equipment and repairing. Project on appraisal. 5th EDF.

MAURITIUS

Mauritius housing project. Resp. Auth.: Mauritius Housing Corporation and the Ministry of Housing, Lands and Town and Country Planning. 3.2 mECU. Financing (for low income households) of approximately 1 250 housing units. Infrastructure work for urbanisation and service plots: int. tender, in '83. Consultancy service: — APFEL (D). 4th EDF.

Development of Ile Rodrigues. Resp. Auth.: Ministry of Agriculture. 3 mECU. Development centred on agricultural production. Economical and technical study, on the way: VINK (NL). 5th EDF.

Investments and trade promotion. Resp. Auth.: Ministry of Trade and Industry. (Investment Promotion Unit and Export Promotion Unit). 1.610 mECU. Contracts by direct agreements. Short-list already drawn up. 5th EDF.

Strengthening of the sanitary infrastructure. Resp. Auth.: Ministry of Health. 3.150 mECU. Reinstatement and extension of 3 hospitals and 2 health centres. Supply of equipment, int. tender in '83. 5th EDF.

2 maize drying units. Resp. Auth.: Ministry of economic planning and development. 0.850 mECU. Construction and equipment of the 2 units for treatment of 1.500 T each of maize grown in alternating rows with sugar-cane. Works and supplies, int. tender with competition 1st quarter '83. Date foreseen for financial decision February '83. 5th EDF.

NIGER

Rural Development of Zinder Department. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 7.6 mECU. Project on appraisal. 5th EDF.

Rural Development of Badegouichi Department. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 3.4 mECU. Project on appraisal. 5th EDF.

Air Valley development. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 2.8 mECU. Hydro-agricultural works. Project on appraisal. 5th EDF.

Rural hydraulics. Resp. Auth.: Ministère de l'Hydraulique. 300 drills in the Zinder region. Hydrogeological study and tender dossier: Bureau GKW (D). Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Kolo water supply. Resp. Auth.: Ministère de l'Hydraulique. Estimated cost 1 mECU. Study on the way: G.K.W. (D). Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Animal disease control. 2nd phase. Resp. Auth.: Ministère du Développement Rural. 1.840 mECU. Supply of equipment and T.A. Project on appraisal. 5th EDF.

Kandadji Dam. Resp. Auth.: Autorité du barrage de Kandadji. (ABK). Study Co-financed with UNDP, FAC, EDF and Local. First part of the detailed technical studies. EDF and Local part: complementary exploring study: short-list already drawn up. 5th EDF.

NIGERIA

Hydraulic development. Resp. Auth.: Ministry of Education. Estimated Cost: 2.350 mECU. Equipment for Technological Institute of Kaduna. T.A.: Bureau M.R.T. (UK and Nigeria). Supply of drilling equipment; int. tender in '83. Project on appraisal. 5th EDF.

Kaduna afforestation project. Resp. Auth.: Federal Department of Forestry. Estimated Cost 10 mECU. Feasibility study: EUROCONSULT (NL). Project on appraisal. 5th EDF.

PAPUA NEW GUINEA

Foodstuffs production on the south coast. Resp. Auth.: Department of Primary Industry. E.D.F. part 3 mECU. Development of seasonal cultivation and marketing. Technical and economic studies. Definition of the project: Produce Studies Ltd. Consultant (UK). Project on appraisal. 4th EDF.

Momote airport. Resp. Auth.: Department of Transport and Civil Aviation. 1.000 mECU. Reconstruction and sealing of runway. Date financial decision January '83. 5th EDF.

★ **Magi Highway.** Resp. Auth.: Department of Transport. Estimated cost 3.5 mECU. Upgrading and sealing of a road section. Works: int. tender. Project on appraisal. Date foreseen for financial decision April 83. 5th EDF.

★ **Huris Grasslands Cattle Ranch and Cocoa Project.** Estimated cost 1.570 mECU. EDF 1.400 mECU. Local 0.170 mECU. Project on appraisal. 5th EDF.

RWANDA

Bugesera water supply. Resp. Auth.: Ministère du Plan. Construction of a drinking-water network in Bugesera. Project on appraisal. 5th EDF.

Development of Zaire Nil Crest. Resp. Auth.: Ministère de l'Agriculture 13.8 mECU. Development of agricultural production and social-economic infrastructure. T.A.: INSTRUPA (D). Supply: int. tender in '83. Project in execution. 5th EDF.

Transmission-lines study in secondary centres. Resp. Auth.: Ministère du Plan. Economical and technical studies to be

done. Short-list not yet drawn up. 5th EDF.

IPN of Ruengeri - vocational school. Resp. Auth.: Ministère de l'Éducation. Estimated cost 0.970 mECU. Works, equipments, expert's mission. Project stage: identification. 5th EDF.

Cyangugu-Butare Road. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 74 mECU. Reinstatement and asphaltting of the exiting hearth road. (153 km). Co-financing: World Bank, BAD, Kuwait Fund, BADEA. Int. tender for works launched July '82 conditional upon provisional finance. Date foreseen for financial decision March 83. 5th EDF.

Educational and handicraft integrated centres. Resp. Auth.: Ministère de l'Enseignement primaire et secondaire. Estimated cost ±2 mECU. Construction and equipment of 40 centres. Project on appraisal. 5th EDF.

Lines of credit for S.M.E. Resp. Auth.: Banque Rwandaise de Développement. 0.700 mECU. Development of the credit to the S.M.E. rurals with "Banque Populaire". Project on appraisal. 5th EDF.

Strengthening of the "public enterprises". Resp. Auth.: Ministère du Plan. Estimated cost 2.595 mECU. Creation of a central accountancy agency, training and control data. Supply of equipment for auditing and office and vehicles. T.A.: Short list already drawn up. 5th EDF.

Development of Préfecture de Butare. Priority actions. Resp. Auth.: Ministères du Plan et de l'Agriculture. Total estimated cost 11.765 mECU. EDF 10.400 mECU. Local 1.365 mECU. Actions to improve rural products, S.M.E., handicrafts and administration. Works by direct labour or direct agreement. Supplies and equipment, int. tender or direct agreement. T.A.: Short-list already drawn up. Date financial decision December '82. 5th EDF.

ST LUCIA

Livestock development project. Phase 2. Resp. Auth.: Ministry of rural development. Estimated cost 0.860 mECU. Extension project zone. Works, supplies and T.A. Study: short-list already drawn up. Project on appraisal. 5th EDF.

ST VINCENT AND GRENADINES

Livestock Development Project. Resp. Auth.: Ministry of Agriculture. 0.415 mECU. Works, equipment and supply of vehicles. Project on appraisal. Date foreseen decision January 83. 5th EDF.

SENEGAL

Increase of cereal-growth in S.O. Resp. Auth.: Ministère du Développement Rural. 4.68 mECU. Preparatory study: SODEFITEX (Senegal). Hydro-agricultural improvements in small areas. Works by direct labour. Supply of crop inputs and pumping equipment: int. tender in '83. Project in execution. Date financial decision January '83. 5th EDF.

New energy research and test in rural region. Resp. Auth.: Secretariat d'Etat à la Recherche Scientifique. 1.5 mECU. Creation of pilot unit for solar energy, biomass and wind energy. Studies T.A. and equipment.

Studies: short list already drawn up. Equipments: int. tender in 83. Project on appraisal. 5th EDF.

Gum-tree plantation. Resp. Auth.: Ministère du Développement Rural. Estimated cost 2.5 mECU. Works, supplies and T.A. T.A.: Deutsche Forstinventur Service (D). Project in execution. 5th EDF.

Sewerage of the "Gueule Tapée" district. Resp. Auth.: Direction Générale des Travaux Publics. Estimated cost 7 mECU. Construction of canalization and pipes for rain waters. Improvement of the sewage network. Definition study and tender dossier: GEO PROGETTI (I). Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Rural Hydraulics. Resp. Auth.: Ministère de l'Équipement. Directeur de l'Hydraulique. 2.3 mECU. Construction of 21 drills. Study for phreatic sheet and modalities for execution: UNIGEO (I). Project on appraisal. Date foreseen for financial decision February 83. 5th EDF.

Trade Promotion programme. Resp. Auth.: Centre Sénégalais du Commerce Extérieur. 1.083 mECU. Actions for productions, marketing and T.A. Contract: direct agreement or restr. tender. 5th EDF.

Renovation of "St. Louis Hospital" and of the health centre of Tambacounda. Resp. Auth.: Ministère du Plan et de la Coopération. Estimated total cost 3.725 mECU. EDF 2.825 mECU. Luxembourg 0.900 mECU. Works: acc. tender launched 2nd half '82. Supplies: int. tender in '83. Project in execution. Supervision of works: Simon et Christiansen (Lux). 5th EDF.

Expenditures previously foreseen as participation of Govt. of Senegal for 3 projects financed on 4th and 5th EDF, charged on 5th EDF. 1.985 mECU. Complementary funding for the project: "Livestock development" 0.700 mECU. Complementary funding for the project "Construction and equipment of ENIE", 0.900 mECU. Complementary funding for the project "Handicraft promotion". 0.385 mECU. Project on appraisal. 5th EDF.

Small villager areas. (Podor). Resp. Auth.: Ministère du Développement Rural. Estimated cost 4.700 mECU. Hydro-agricultural improvement of 1000 ha in 20 small areas. Works: irrigation, tracks. Supply of motor-pumps. T.A.: Short-list already drawn up. 4th and 5th EDF.

Noirot Bridge at Kaolack. Resp. Auth.: Direction Générale Travaux Publics. Estimated cost 2.4 mECU. Existing bridge replacement with a new. T.A.: to prepare technical dossier for an int. tender with competition. Int. tender foreseen 1st half '83. T.A.: Bureau Obermeier (D). 5th EDF.

★ **Experimental turf extraction in the Niayes region.** Resp. Auth.: Ministère de Développement Industriel. 0.600 mECU. Works and T.A. Date foreseen for financial decision March 83. 5th EDF.

SEYCHELLES

Renovation of Victoria Hospital. Resp. Auth.: Ministry of Health. Estimated cost 6 mECU. EDF 2.4 mECU, ADB (African Dev. Bank) 3.6 mECU. Renovation and new constructions, supply of medical equipment.

Project on appraisal. Date foreseen for financial decision May '83. 5th EDF.

SIERRA LEONE

North-western integrated agricultural development project. Resp. Auth.: Ministry of Agriculture and Forestry. Four-year integrated programme to develop mangrove swamps, upland crops, coastal fishing, infrastructure. Estimated Cost: 6.03 mECU. EDF 4.9 mECU. Local 1.13 mECU. Works: acc. tender. Supplies: int. tender. T.A.: direct agreement. Project in execution. 4th and 5th EDF.

Koinadugu — Phase II. Resp. Auth.: Ministry of Agriculture and Forestry. Estimated total cost 8.370 mECU. EDF 7.5 mECU. Local 0.870 mECU. Buildings and housing, transport equipment, farm inputs, operation, maintenance, staff salaries. Date financial decision December '82. 5th EDF.

Rural hydraulics. Resp. Auth.: Ministry of Agriculture and Forestry. Estimated cost 1.55 mECU. Construction of water points for villages with 2000 inhabitants. Study to prepare project and appraisal: IWACO (NL). Date foreseen for financial decision 2nd quarter '83. 5th EDF.

Kambia Fishery Development. Resp. Auth.: Ministry of Agriculture and Forestry. 0.900 mECU. Construction of 2 buildings and a boatyard, supply of boats, motors, vehicles and T.A. T.A.: Short-list already drawn up. 5th EDF.

Economical study of the Sambamba-Kabala Road. Short-list already drawn up. Project stage: identification. 5th EDF.

SOLOMON ISLANDS

★ **Small rural infrastructure.** Rural feeder roads, small wharves, storage sheds and rural water supplies. Works by direct labour or direct agreement. Estimated cost 0.500 mECU. Project on appraisal. 5th EDF.

SOMALIA

Saakow rural experimental centre. Resp. Auth.: Ministry of Agriculture. Creation of an irrigated area (60 ha) with all facilities and equipment. Aim: agronomical experiments. Estimated total cost: 5.026 mECU. EDF: 4.950 mECU. Local 0.076 mECU. Works: 4 kms of tracks, pump station (180 l/s) electric power station (120 KVA). Supply of: agricultural equipment, 3 tractors, vehicles, furnitures. T.A.: Istituto Cerealicultura (I) Land improvement works and estate infrastructure: contracts awarded. Supplies: int. tender 2nd quarter '83. Project in execution. 4th EDF.

Bardheera Dam. Resp. Auth.: Bardheera Dam Authority (BDA). 600 mECU. (Estimated) Dam Project 500 mECU. Powerline to Mogadishu 100 mECU. Funding: EDF, Italy, Germany, France, Saudi Arabia, Abu Dhabi, Koweit Funds, FADES, Isl. Dev. Bank. Local. Power and river regulation for agricultural development. Construction of a concrete gravity dam with hydro-power station, associated infrastructure and electrical transmission lines. The dam will provide water, flood protection and power for up to 233 000 ha of irrigated agriculture in the Juba Valley, and energy to Mogadishu. Civil works: first int. tender during 1984. Transmission lines int. tender in 1984. Equip-

ment: powerhouse main equipment and auxiliary equipment, int. tenders in 1985. Gates, valves, intake equipment, int. tender in 1986. Study: 4th EDF. Works: 5th EDF.

Mogadishu Slipway. Resp. Auth.: Ministry of Planning. 3 or 4 mECU. Construction of a slipway and ship repair facilities in Mogadishu harbour. Feasibility study on the way: AVECO (NL). Date foreseen for financial decision: in '83. 4th EDF.

Mogadishu Institute of Statistics. Resp. Auth.: Ministry of Public Works. Estimated cost: 0.800 mECU. Supply: int. tender in '83. Project on appraisal. 4th EDF.

Development of pheniculture (date-palm). Resp. Auth.: Ministry of Agriculture. Estimated cost 2 mECU. 1000 ha plantation in the North region. Supply of equipment, machines, inputs, rural monitoring. T.A. to define, may be French aid. Project on appraisal. 5th EDF.

Mogadishu water supply. Resp. Auth.: Ministry of Planning. Estimated total cost 38.5 mECU. EDF 5.34 mECU. Foreseen cofinancing, World Bank, Arab Funds et Local. New drills and strengthening of existing network. 2 int. tenders launched on January '83. 5th EDF.

Somalia Trade Promotion. Resp. Auth.: Ministry of National Planning. 0.670 mECU. Four independent components: development of supportive infrastructure and T.A. for frankincense, myrrh and gums. Identification of obstacles to livestock exports and study of livestock marketing. Participation in Trade Fairs. Training, short term consultancies. 5th EDF.

"Aula Magna" Mogadishu National University. Resp. Auth.: Ministry of Public Works. ±2.5 mECU. Project on appraisal. 4th EDF.

SUDAN

Jebel Marra rural development project. Resp. Auth.: Ministry of Agriculture, Food and Natural Resources. 15.043 mECU. EDF 11 mECU. Local 4.043 mECU. Agricultural extension and improvement or rural infrastructure (road improvement and maintenance, forestry programme, community development programme). Supplies: int. tender for fertilizers in '83. TA: Hunting Technical Services Ltd (UK). Project in execution. 4th EDF.

University of Juba, phase II. Resp. Auth.: Ministry of Education. 7 mECU. Additional facilities on the new campus for a capacity of about 400 students: 3 hostels, (1 100 m² each) dining hall and kitchen (360 m²), 3 college buildings (1 850 m²), 21 staff houses (each 170 m²). Works including infrastructure for water, sewerage and electricity: int. tender launched September '82. Equipment: int. tender in 1983. 4th EDF.

Trade Promotion Sudan. Resp. Auth.: Ministry of Co-operation, Commerce and Supply. 0.34 mECU. Studies, T.A. and participation in trade fairs. Studies and contract: Short-list already drawn up. 4th EDF.

Port Sudan-Hayia Railway. Resp. Auth.: Sudan Railway Corporation. Expertise: KAMPSA(DK). 4th EDF.

SURINAME

Rice project at Coronie. Resp. Auth.: Ministerie van Landbouw, Veeteelt, Visserij en

Bosbouw. Rice production developments. Study on the way. EUROCONSULT (NL). Project stage: identification. 5th EDF.

Improvement health services in the interior. Phase II. Resp. Auth.: Public Works Department. Construction of a health training centre. Works by direct labour. Supplies by direct agreement 0.410 mECU. Date foreseen for financial decision April '83. 3rd EDF.

LTS — Geyersvliet. Resp. Auth.: Public Works Department. Construction of school building. Lower level technical education. Estimated cost 2.2 mECU. Int. tender conditional upon provisional financial foreseen in March '83. Date foreseen for financial decision April '83. 3rd EDF.

Tapawatra Micro-hydropower project. Project stage: identification. 3rd and 4th EDF.

SWAZILAND

Rural hydraulics. Resp. Auth.: Rural Water Supply Board. Estimated cost 2.456 m ECU. Study construction, works supervision. 12 villages. Supply of equipment and material. Study and works supervision: short-list not yet drawn up. 5th EDF.

TANZANIA

Training of irrigation engineers. Resp. Auth.: Ministry of Finance. 0.920 mECU. Degree courses in irrigation engineering for 30 irrigation engineers. Training will take place in India. 5th EDF.

Lusungu-Bukombe road. Resp. Auth.: Ministry of Works. 20 mECU EDF part. Bitumen road of 127 km. Works: Int. tender foreseen 1st half '83. Supervision of work: GITEC (D). Seek for cofundings. Regional project. 4th EDF.

Technical teacher training college, Mtwara. Resp. Auth.: Ministry of Education. 1.4 mECU. Training facilities for technical teachers. Classrooms, laboratory and workshops, dormitories and sanitary block, administration. Total area 3 765 m². Equipment: int. tender with possibility of restr. tender or direct agreement depending on nature of supply. Supplies: restr. tender all in '83. 4th EDF.

Mtwara Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. 5 mECU. Works: drilling of new wells, and constructions. Supply of equipment and T.A. Drilling activities and power supply connections by direct labour. Other works: int. tender in '83. Supplies: int. tender in '83. Supervision of works: short-list already drawn up. 5th EDF.

Mwanza Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. 11 mECU. Construction of a new water intake, installation of a new pumping equipment and treatment plant, laying of a new distribution pipelines. Works and supplies, int. tender foreseen early '83. Contract for supervision of works: short-list not yet drawn up. 5th EDF.

Kigoma Port. Resp. Auth.: Ministry of Works. Estimated cost 4.95 mECU. Project design: HAECON (B). Works and equipment: int. tender for works launched February '83. 4th EDF.

TOGO

Strengthening and improvement of 4 roads. Resp. Auth.: Ministère des Travaux Publics, des Mines, de l'Energie et de Ressources Hydrauliques. 13.6 mECU. Aflao-Avepozo road (19 km) - Lomé-Kpaliné road (118 km) - Atakpamé- Blitta road (100 km). Avepozo-Aneho (30 km). Works: int. tender launched April '82, conditional upon provisional finance. Supervision of works: STAIM (I). 5th EDF.

Rural hydraulics. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 3 mECU. Construction of ± 200 drills, supply of manual pumps and training. Date foreseen for financial decision, 2nd quarter '83. Int. tender for 260 drills launched on February 83. 5th EDF.

Credit to C.N.C.A. (Caisse Nationale de Credit Agricole) to develop actions in rural sector. Resp. Auth.: C.N.C.A. Estimated cost 2 mECU. Loans with favourable conditions. Project on appraisal. Date foreseen for financial decision March 83. 5th EDF.

★ **Provisions improvement for Agou oil palm plant.** Resp. Auth.: Ministère du Développement Rural. Estimated total cost 10 mECU. EDF 5 mECU. Cofinancing, may be with CCE and Local. Project on appraisal. 5th EDF.

TONGA

Supply of a dredger. Resp. Auth.: Ministry of Works. Estimated cost 0.500 mECU. Technical study: EUROCONSULT (NL). Int. tender foreseen 1st half '83. Project on appraisal. 5th EDF.

UGANDA

Primary health centres rehabilitation. Resp. Auth.: Ministry of Health and Ministry of Works. 1.1 mECU. To improve health care in rural areas. Works: acc. tender. Supply: int. tender in '83. Project on appraisal. 4th EDF.

Rehabilitation of the seeds industry. Resp. Auth.: Ministry of Agriculture and Forestry. 9.5 mECU. To increase production and distribution of improved seeds. Int. tender in 83. T.A.: Short-list already drawn up. 5th EDF.

Rural electrification project. Resp. Auth.: Ministry of Power and Communications. Estimated cost 5 mECU. Supply of 33 KV electrical distribution lines. Erection by direct labour. Project on appraisal. 5th EDF.

★ **Animal Disease Control Project.** Resp. Auth.: Ministry of Livestock and Fishery. Total estimated cost 11 mECU. EDF 7.3 mECU. Local 3.7 mECU. Re-establishment of veterinary extension service. Repair of cattle dips, spray races. Tse tse control programme. T.A. For medical products and vaccines purchase during first six months, restr. tender. For equipment, material, transport, int. tender launched September '82. T.A.: short-list already drawn up. 4th EDF.

T.A. to the Uganda Development Bank. Resp. Auth.: Uganda Dev. Bank. 2 experts. 1 year, renewable. Short-list already drawn up. Project on appraisal. 5th EDF.

Kampala City Roads. Resp. Auth.: Kampala City Council. Estimated Cost 10 mECU. To rehabilitate selected Kampala roads. Works and supervision. Int. tender condi-

tional upon provisional finance foreseen in March or April 83. Date foreseen for financial decision June '83. 5th EDF.

Kampala Water Supply Rehabilitation. Phase II. Resp. Auth.: Ministry of Lands, Minerals and Water Resources. Estimated cost 5.8 mECU. Works, supplies and supervision. T.A. Project on appraisal. 5th EDF.

UPPER VOLTA

Mine of Poura rehabilitation. Resp. Auth.: Ministère du Commerce, du Développement Industriel et des Mines. 4.14 mECU for assessment of the worker's town. Study on hand. Project in execution. 5th EDF.

Extension of Lycée Technique de Ouagadougou. Resp. Auth.: Ministère de Travaux Publics. Building of the boarding-school for 360 students. Works, supply of equipments. T.A. Project stage: identification. 5th EDF.

Kompienga Dam. Resp. Auth.: Ministère des Travaux Publics des Transports et de l'Urbanisme. Cofinanced project. Estimated cost ± 102 mECU. Earth-dam construction, access road non asphalted ± 18 kms, two groups of alternators 7800 KVA each, transmission power lines. Works: restr. tender after prequalification. Prequalification done. Int. tender launched December 82. Project on appraisal. 5th EDF.

Development of the Douna plain. Resp. Auth.: Ministère du développement rural. Estimated cost 10 mECU. Irrigation and draining works, supply of equipments, inputs and T.A. Project stage: identification. 5th EDF.

Volta valleys assessment. (A.V.V.) 2nd part. Improvement of the Mankarga development unit. Resp. Auth.: Ministère du Développement Rural. 4.450 mECU. Works: feeder roads, soil preparation, waterpoints, rural and social building). Monitoring and training for country-groupings. T.A. and supervision of works: Agroprogess (D). 4th EDF.

Young farmers' training. Resp. Auth.: Ministère du Développement Rural. 2.880 mECU. T.A.: works and equipment. 5th EDF.

Rural credit for harnessing cultivation. Resp. Auth.: Ministère du Développement Rural. 1.7 mECU. Line of credit to the "Caisse Nationale de Crédit Agricole". Date foreseen for financial decision 1st half 83. 5th EDF.

★ **Small ruminants and poultry farming in the Yatenga region.** Resp. Auth.: Ministère du développement Rural. Estimated cost 1.150 mECU. Constructions, supply of equipment, training and monitoring. Date foreseen for financial decision April 83. 5th EDF.

WESTERN SAMOA

Oil and Cake storage and handling facilities for the copra mill. Resp. Auth.: Samoa Coconut Products Ltd. 0.850 mECU. Storage tanks for copra oil and handling equipment. Shed for storage of pelletized cake. Study for supplies: Proses (Malaysia) financed by ADB. Supplies: int. tender 1st quarter 83. 5th EDF.

VANUATU

T.A. to Vanuatu Development Bank. Resp. Auth.: VDB-Vanuatu Dev. Bank. 0.750 m ECU. Line of credit and T.A. Project on appraisal. Date foreseen for financial decision February 83. T.A.: Short-list already drawn up. 5th EDF.

ZAIRE

Kinshasa Water Supply. Resp. Auth.: REGIDESO. Study on the way by Bonifica (I). 5th EDF.

Akula-Gemena road. Resp. Auth.: Commissariat aux Travaux Publics. Upgrading and asphaltting of the road (115 km). Economic study: Bureau SPE (Local). Technical study: LUXCONSULT (Lux). Project on appraisal. 5th EDF.

Thé Butuhé. Resp. Auth.: Département de l'Agriculture (Commission Agricole du Kivu). Strengthening and prosecution existing projects. T.A. for management and trading. Project stage: identification. 5th EDF.

Mwebe-Batshamba Road. Resp. Auth.: Commissariat aux Travaux Publics. Part (88 km) of the national road Matadi-Shaba. Prequalification launched in July '81. Int. tender launched on 3rd quarter '82. Date foreseen for financial decision May '83. 5th EDF.

Kalemie port rehabilitation. Resp. Auth.: Département des Transports et Communications. Estimated cost not available. Study on the way by CADIC (B). 4th EDF regional. Project on appraisal. 5th EDF.

Banana deep water port. Resp. Auth.: Département des Transports et Communications. Feasibility study: SEMA-TRACTION-NEL-OTUI (F.B.F.). 4th EDF. Complementary technical study: for the port (F+I), electrical (B), water supply (D), water research (EDF). Project stage: identification. 5th EDF.

Cacao-trees at Bulu. Resp. Auth.: CACAOZA-Département de l'Agriculture. Strengthening and continuation existing operations. Project stage: identification. 5th EDF.

Palm-trees at Gosuma. Resp. Auth.: PALMEZA-Département de l'Agriculture. Strengthening and continuation existing operations. Project stage: identification. 5th EDF.

Lubutu-Oso-Walikale Road. Resp. Auth.: Commissariat aux Travaux Publics. Prequalification launched January '82. Int. tender launched 4th quarter 82. Date foreseen for financial decision 1st half 83. 4th EDF.

Butembo-Beni hydro-electrical development. Preliminary study done by Tractionnel (B) on local funds. Detailed economical and technical studies: short-list already drawn up. Project on appraisal. 5th EDF.

★ **Rural roads in Sud-Ubangui.** Resp. Auth.: Office des routes. Total cost 5.190 mECU. EDF 4.950 mECU, CDI (Centre de Développement Intégral de Bwamanda-NGO) 0.240 mECU. Works by CDI and villages. Supply of graders, trucks by int. tender. Date foreseen for financial decision March 83 5th EDF.

ZAMBIA

Rural water supply study - 5 Townships. Resp. Auth.: Ministry of Agriculture

and Water Development. Engineering Design. Short-list already drawn up. 5th EDF.

Rural water supply study. 4 Townships. Resp. Auth.: Ministry of Agriculture and Water Development. Feasibility Study. Short-list not yet drawn up. 5th EDF.

Maize development project. Resp. Auth.: Ministry of Agriculture and Water Development. Total cost 6.54 mECU. EDF 5.55 mECU, Rocaf 0.99 mECU. Works: construction housing and office accommodation, marketing depots, feeder roads. Supply: 4 WD vehicles, motorcycles and bicycles. T.A. Works: acc. tender or direct agreement. Supplies: int. tender launched September '82. T.A.: INSTRUPA (D). 5th EDF.

Zambia Marketing and Trade Promotion. Resp. Auth.: Ministry of Commerce and Industry. Zambia Export Promotion Council. 0.795 mECU. Product Development and Marketing. Marketing management. Trade Fairs — Tourism planning and promotion. Contracts by direct agreement. 5th EDF.

Rice Development Project. Resp. Auth.: Ministry of Agriculture and Water Development. 4 mECU, EDF Part. Local 1.135 mECU. Works: access roads, marketing depots, housing. Supply of equipments, agricultural inputs, T.A. Supply of vehicles: int. tender launched September '82. Works: acc. tender or direct labour. T.A.: short-list already drawn up. 5th EDF.

Animal Vaccine Unit Production. Laboratory construction. Supply of equipment and T.A. Estimated cost 3.79 mECU. EDF 3 mECU, local 0.79 mECU. 5th EDF.

Mkushi electrification. Estimated cost 6.07 mECU. EDF 3.07 mECU. Cofinancing needed. Study on hand: MERTZ McLENNAN (UK). Project stage: identification. 5th EDF.

Mine industry (copper-cobalt) rehabilitation. Resp. Auth.: ZAMBIA Cons. Copper Mines at Lusaka. Total estimated cost 85.346 mECU. EDF part 55 mECU. Supply of equipment: 17 int. tenders launched in July, August, September, November 82 and January 83. For T.A. the Zambian Cons. Copper Mines will be in charge of recruitment of staff from EEC countries. Project in execution. 5th EDF.

T.A. to the Development Bank of Zambia. Resp. Auth.: Dev. Bank of Zambia. 0.54 mECU. Short-list already drawn up. 5th EDF.

Rural township Water Supply. Resp. Auth.: Ministry of Agriculture and Water Development. 5.200 mECU. Construction and supply of equipment and supervision of works. Works and supplies: int. tender on 1st half '83. T.A.: Short-list already drawn up. 5th EDF.

Mpongwe Development Project, phase 2. Resp. Auth.: Ministry of Agriculture and Water Development. (M.A.W.D.) 3.712 mECU. To complete and develop existing project. Works, supplies and T.A. Project on appraisal. 5th EDF.

ZIMBABWE

Educational Facilities and Equipment. Resp. Auth.: Ministry of Manpower Planning and Development. 3 mECU. Building of

Technical College and supply of equipment and furniture. Works: acc. tender. Supplies: int. tender. 5th EDF.

Rural Clinics. Resp. Auth.: Ministry of Health. 4.5 mECU. Construction and equipment of 115 rural clinics and 230 staff houses. Works: direct labour or direct agreement. Equipments: int. tender. 5th EDF.

Coal study. Resp. Auth.: M.E.P.D. Cofunding EDF-EIB. EDF 0.500 mECU. EIB 0.4 mECU. Restr. tender after short-list. Short-list already drawn up. 5th EDF.

Development of accelerated resettlement schemes. Resp. Auth.: Ministry of Lands, resettlement and Rural development. 5.460 mECU. Infrastructures, agricultural activities, equipments and inputs. Date foreseen for financial decision April '83. 5th EDF.

Rural Water Supply Study. Resp. Auth.: Ministry of Water Ressources and Development. Short-list not yet drawn up. 5th EDF.

Overseas Countries and Territories (OCT)

NETHERLANDS ANTILLES

St Martin Airport. Resp. Auth.: Departement voor Ontwikkelingssamenwerking. 7.292 mECU. Construction of new air terminal. Study and works. Study: execution, Flughafen Frankfurt (D). Works and supplies: int. tender launched December 82. 4th EDF.

Road Improvement on Bonairé. Resp. Auth.: Departement voor Ontwikkelingssamenwerking. Estimated cost ± 1 m ECU. Project on appraisal. 5th EDF.

FRENCH POLYNESIA

Tahiti territorial abattoir. Resp. Auth.: Service de l'Economie Rurale, Papeete (Tahiti). Secrétariat d'Etat des Départements et Territoires d'Outre-Mer, Délégation de la Polynésie Française, Paris. Cofinancing with France. Project on appraisal. 4th EDF.

Gas-generators and electro-generators powerstations in the Touamotou Islands. Resp. Auth.: Assemblée Territoriale des Touamotou. 0.460 mECU. Supply of gas-generators fed with charcoal from coconut waste and coco-trees wood waste. Int. tender foreseen 2nd half 83. Date foreseen for financial decision 1st half 83. 4th EDF.

REUNION

Hydro-agricultural development of Bras de Cilaos. Resp. Auth.: Ministère de l'agriculture. 2.65 mECU. Installations of a first section of water-supply network. Supplies and ductlaying and accessories, int. tend. launched December 82. 4th EDF.

NEW CALEDONIA

Loyauté Islands water supply. Resp. Auth.: Direction Territoriale des Services Ruraux. 0.900 mECU. Constructions and drills and small water supply networks. 5th EDF.

Reafforestation programme. Resp. Auth.: Territoire de la Nouvelle Calédonie des Eaux et Forêts. Estimated total cost 4.7 mECU. EDF part ± 3 mECU. Cofunding with France, CCCE (F) and Local. 3 000 ha plantation "Pin de Caraïbes" with all necessary infrastructure and investments. Project on appraisal. 5th EDF.

Veterinary laboratory and zoosanitary investigation. Total estimated cost 1.5 mECU. EDF 0.350 mECU. Territoire and FIDES 1.150 mECU. Date financial decision December 82. 5th EDF.

CAYMAN ISLANDS

New airport terminal. Resp. Auth.: Public Works Department. Estimated Cost 0.600 ECU. Construction of terminal. Project on appraisal. Date foreseen for financial decision May '83. 4th and 5th EDF.

TURKS AND CAICOS ISLANDS

Transport study, North and Middle Caicos. Resp. Auth.: Public Works Department. Wallace Evans and Partners (UK). 5th EDF.

Regional Projects

ETHIOPIA — SUDAN

Telecommunications project. Technical study done by U.I.T. Economical and commercial study to be done. Short-list not yet drawn up. 5th EDF.

O.C.A.M.

Building and equipment of Institut Africain et Mauricien de Statistiques et d'Economie Appliquée in Kigali. Resp. Auth.: I.A.M.S.E.A. Total estimated cost 4.8 mECU. EDF part ± 3 mECU. Pedagogical, administrative and hostel buildings (5,000 m²). Correspondent equipment supply. Project on appraisal. Date foreseen for financial decision April 83. 5th EDF.

MEMBER COUNTRIES OF ORGANISATION AFRICAINE POUR LA PROPRIETE INTELLECTUELLE (O.A.P.I.)

Building and equipment of Centre Africain de Documentation et Information en matière de Brevets. Resp. Auth.: O.A.P.I. 1.207 mECU. Construction of 1,358 m² of buildings, and supply of equipment. Works: contracts in awarding. Supplies: int. tender 2nd half '83. Project in execution. 5th EDF.

GABON — SAO TOME-PRINCIPE

Improvement of maritime communication. Resp. Auth.: Secrétariat, d'Etat aux Transport et Communications. Estimated

cost ± 2 mECU. Purchase of one ocean-going vessels. Project on appraisal. 5th EDF.

MEMBER COUNTRIES OF CEAO

ESITEX Segou (Mali). Resp. Auth.: CEAO Secretariat. Management training for textile industry. Complex construction in Segou. Supply of equipment. Project stage: identification. 5th EDF.

Ecole des Mines et de la géologie, Niamey. Resp. Auth.: CEAO Secretariat. Creation of a school for 350 students coming from CEAO countries. Estimated total cost 28 mECU. EDF 7 mECU. Cofundings with FAC-FAD-D. Project on appraisal. Technical and architectural studies: Groupement Potier et Ass. (F) and Goudiaby (ACP.). 5th EDF.

GAMBIA — SENEGAL (O.M.V.G.)

Bridge barrage on the river Gambia. Resp. Auth.: Ministry of Works and Ministère des Travaux Publics. Estimated cost in 78: 60 mECU. Foreseen funding: F.R.G. 20 mECU. Canada 21.7 mECU, USA 11/22 mECU, Technical study: DHV-Rijkswaterstaat-Waterloopkundig Laboratorium Delft (NL). For Phase I — Phase II: Rhein-Ruhr (D). Project stage: identification. 5th EDF.

Agronomical study for the area concerned by the bridge barrage. Short-list already drawn up. 5th EDF.

GUYANA — SURINAM

Guyana — ferry-link. Resp. Auth.: Ministry of Public Works and Ministerie van Openbare Werken. Link ferry on Corentine river. Study on the way by C.A. Liburd and Ass. + Sescon Group (ACP). Project on appraisal. 4th EDF.

TOGO — BENIN

Hydroelectric development of Nangbeto. Resp. Auth.: Ministères des Travaux Publics. Estimated cost: 170 mECU. Construction of a dam and a hydro-electric power plant of 2×30.7 MW. Foreseen funding: World Bank, EEC (EDF + EIB), France, FRG, Canada, ADB, UNDP. Feasibility study done. Project on appraisal. 5th EDF.

BENIN — IVORY COAST — NIGER — TOGO — UPPER VOLTA

Regional training centre for road maintenance in Lomé-Togo. (CERFER). Resp. Auth.: Secretariat CERFER. Training. T.A. and scholarships. Estimated cost 0.900 mECU. Project stage identification. 3rd, 4th and 5th EDF.

ZAIRE — RWANDA — BURUNDI

Hydro-electric development «Ruzizi II». Resp. Auth.: E.G.L. Estimated cost: 65 mECU. Construction of a central hydro electric plant of 40 MW. Funding: EDF, World Bank, I, BDEGL. Civil works: World Bank. Alternators and electr. equipments: Italy. Houses: BDEGL, other equipment and supervision of work, EDF. For EDF part int. tender foreseen 2nd quarter 83 after pre-

qualification. Prequalification launched. Date foreseen for financial decision May 83. 5th EDF.

RWANDA — ZAIRE

Methane gas from Lake Kivu. Resp. Auth.: CEPGL and Commission mixte de 2 pays. Pre-feasibility study done. (Studies 4th EDF). Feasibility study foreseen with EDF, EIB fundings: for 2 stations with urea unit, compressed gas and methane. Short-list on the way. Project on appraisal. 5th EDF.

NIGER BASIN AUTHORITY

Protection and reafforestation in the "Haut Bassin Versant du fleuve Niger in Guinea". Works, supplies and T.A. Estimated total cost 1.5 mECU. Project stage: identification. 5th EDF.

MEMBER COUNTRIES OF CIADFOR

Extension of A.N.F.P.P. (Agence Nationale de formation et de Perfectionnement Professionnels) in Libreville. Extension and modernization and new complex building in Oloumi. Project stage: identification. 5th EDF.

Training instructors and printing specialists, production of the teaching material. Resp. Auth.: CIADFOR Secretariat. 1.45 mECU. Training, TA, supply of equipment. T.A. done. Project in execution. 5th EDF.

SENEGAL — GUINEA

Tambacounda-Labe road. Resp. Auth.: Ministère des Travaux Publics. Upgrading and asphaltting of the road (455 km). Economic study: SONED (SE). Technical study to be done. Short list not yet drawn up. Project on appraisal. 4th EDF.

WESTERN SAMOA — FIJI — SOLOMON — KIRIBATI — TUVALU — PAPUA NEW GUINEA — TONGA

Renewable energy development project in the South Pacific. Resp. Auth.: SPEC (South Pacific Bureau for Economic Cooperation). 6.2 mECU. Creation of pilot units for ocean energy, gas, small stations 25 kW fed with wood waste. Photovoltaic generators 20 kW and wind-generators 15 kW. Prefeasibility study on the way: LAHMEYER and DORNIER (D). Works, supply and T.A. Supplies: int. tender 1st half 1983. T.A.: 1st quarter 83. Project on appraisal. 5th EDF.

TOGO — MALI — UPPER VOLTA — NIGER — CHAD

Agricultural products regional transit centre, in the Lomé port. Resp. Auth.: Ministères du Plan. Estimated total 7 mECU with cofunding. Technical and economic feasibility study: Bureau SATEC (F). Project stage: identification. 4th and 5th EDF.

SOUTHERN AFRICA

Foot-and-mouth disease prevention. Resp. Auth.: Development Committee. Study to be done: Feasibility. Short-list already drawn up. Project stage: identification. 4th EDF.

PACIFIC ACP COUNTRIES

Forum Fisheries Agency Headquarters. Resp. Auth.: South Pacific Bureau for Economic Cooperation (SPEC). 0.650 mECU. Creation of an international fisheries resources management agency. Works by acc. tender. Supply of equipment restr. tender. Supply of computer and data processing equipment, int. tender. Project in execution. 4th and 5th EDF.

BOTSWANA — ZIMBABWE

Regional project foot-and-mouth disease. Resp. Auth.: Ministry of Agriculture. Estimated total cost 24.51 mECU, EDF 12.8 mECU, GOB 8.167 mECU, GOZ 2.013 mECU. Supply of equipment and vaccins. Int. tender launched in January 83. 5th EDF.

MADAGASCAR-SEYCHELLES

Ecole Maritime de Majunga. Resp. Auth.: Ministère de l'Education. 1.850 mECU. Managerial staff training for mercantile marine and fisheries. Supply of a school-vessel and equipment. T.A. 5th EDF.

SENEGAL — GAMBIA GUINEA BISSAU

Dakar — Banjul — Bissau Road. Resp. Auth.: Ministères Travaux Publics of the 3 countries. Asphalted road between Mandina Ba (Gambia) and Sao Vicente (Guinea Bissau). 129 km. Estimated cost 35 mECU. EDF 10 mECU. Technical study: Associated Eng. (I.). Project on appraisal. Works: int. tender foreseen 2nd quarter 83. 5th EDF.

MEMBER COUNTRIES OF CEAO AND CILSS

Construction of Centre Régional d'Energie Solaire (CRES) in Bamako, Mali. Estimated total cost 22 mECU. EDF part. 3.0 mECU. T.A. and equipment. Project on appraisal. T.A.: short-list not yet drawn up. Date foreseen for financial decision 1st half 83. 5th EDF.

MEMBER COUNTRIES OF U.A.P.T.

Satellite telecommunications project. Resp. Auth.: U.A.P.T. Secretariat in Brazzaville. R.P.C. Parametric study on the way by national organisations of I, UK, F and D. Project stage: identification. 5th EDF.

MEMBER COUNTRIES OF ECOWAS

Wireless beam telecommunications. Resp. Auth.: Ecowas Secretariat. Estimated cost 32 mECU. EDF 5 mECU. Project on appraisal. 5th EDF.

EASTERN AFRICA COUNTRIES

Statistical training centre for eastern africa in Tanzania. Resp. Auth.: Secretariat of the centre. 2.0 mECU. Widening of the capacity. Construction of class-room, offices and housing. Project stage: identification. 5th EDF.

**DJIBOUTI — ETHIOPIA —
KENYA — SUDAN — SOMALIA —
TANZANIA — UGANDA**

Prevention against noxious migratory animals in eastern africa. Resp. Auth.: Desert Locust Control Organization for eastern africa. Construction of buildings, storage, for pesticide, aircrafts, equipment for vaporization, vehicles and T.A. Total estimated cost 6.634 mECU. EDF 3.3 mECU int. tender for equipment hangar in Nairobi launched. Other int. tenders in 83. T.A.: Centre for overseas Pest Research (UK). 5th EDF.

KENYA — TANZANIA

Regional Health Improvement Project. Resp. Auth.: Ministries of Health. Estimated cost 1.6 mECU. Extension of the regional centre at Nairobi and construction of a centre in Dar-es-Salam, T.A. Works: acc. tender. Contracts: direct agreement. Project in execution. 5th EDF.

**ZAMBIA — KENYA — UGANDA —
SUDAN**

Field-oriented research on control of tsetse and livestock ticks of the International centre of insect physiology and ecology (ICIPE) Nairobi-Kenya. 4.4 mECU. EDF part 1.5 mECU. Cofunding with: UNDP-USAID-Switzerland and Netherlands. Supply of equipment and TA. Project in execution. 5th EDF.

**MEMBER COUNTRIES OF SADCC
(South African development coordination conference)**

Faculty of Veterinary Sciences University of Zimbabwe. Total estimated cost 9 mECU. EDF part estimated at 5 mECU. Construction of a new veterinary faculty as a regional institution within the existing university of Zimbabwe. Works and supplies. Project stage identification. Study on the way by Ove Arup and Partners (ACP). 5th EDF.

T.A. for the SADCC Secretariat. Resp. Auth.: SADCC Secretariat in Gaborone. Botswana. 2 m ECU. Advisory Staff, consultancies, support staff. Decisions for contracts will be signed between SADCC and CEC. Date financial decision January 83. 5th EDF.

SWAZILAND — LESOTHO

★ **Matsapha Airport.** Construction of a control tower, equipment and T.A. Estimated total cost: 22 mECU. EDF 2.1 mECU. Project on appraisal. 5th EDF.

**MEMBER COUNTRIES
OF CARICOM**

Development of the regional trade promotion services in the Caribbean region. Resp. Auth.: Caricom Secretariat. 1.8 mECU. T.A. project. Contract: direct agreement. 5th EDF.

Assistance to Caribbean Agricultural Research and Development Institute (CARDI). Resp. Auth.: CARDI Secretariat. EDF part 3.035 mECU. T.A. equipment and

training. T.A.: Short-list already drawn up. 5th EDF.

Windward Islands Fishing Boat Project. Resp. Auth.: Caricom Secretariat. Estimated cost 0.345 mECU. EDF part 0.275 mECU and 0.070 mECU from sales of boats. Equipment and TA for the construction of about 100 fishing boats and workshop installation. Project on appraisal. 5th EDF.

Regional hotel trade school at St. Lucia. Resp. Auth.: Caricom Secretariat. Estimated total cost 0.900 mECU. EDF 0.200 mECU. Work financed locally. EDF part: supply of pedagogical equipment, furniture and 1 vehicle. Project on appraisal. 5th EDF.

Regional Poultry Project. Resp. Auth.: Caribbean Food Corporation (CFC) and Government of Barbados. Total estimated cost 4.147 mECU. EDF 2.823 mECU. Constructions, equipments and T.A. Date foreseen for financial decision February '83. 5th EDF.

LIAT — Equipments and T.A. Resp. Auth.: Caricom Secretariat and Caribbean Dev. Bank. Estimated cost 5.215 mECU. Fy-ing assistance equipment. Project on appraisal. Date financial decision January '83. 4th EDF and 5th EDF.

★ **Regional Marketing of Agricultural Inputs.** Resp. Auth.: Caribbean Food Corporation (CFC). 2.3 mECU. Supply of fertilizers and seeds. Works and equipments. Supplies: int. tender in 83. Date foreseen for financial decision March 83. 5th EDF.

★ **Research development in the Caribbean region. (CTRC).** Resp. Auth.: Caricom Secretariat 4.100 mECU. T.A. marketing and tourism promotion. Date financial decision January 83. 5th EDF.

Regional Tourism Promotion Study. Resp. Auth.: Caricom Secretariat. Caribbean Tourist Association. 0.800 mECU. Studies tourist promotion. Short-lists not yet drawn up. Date financial decision December '82. 5th EDF.

WISCO Project. Resp. Auth.: Ministerial Standing Committee of CARICOM. 6.3 m ECU. Purchase of 2 second-hand cargos—containers, vehicles, T.A. and training. Int. tender for cargos launched December 82. 4th EDF.

**TANZANIA (BURUNDI — RWANDA —
ZAIRE — ZAMBIA)**

Tanzania Railways Corporation Project (T.R.C.). 10 mECU. Maintenance and improvement of the railway. Works, supply of equipment. Supply: int. tender 1st half '83. Supervision of works: short list not yet drawn up. 4th EDF.

**BURUNDI — RWANDA — TANZANIA —
ZAIRE — ZAMBIA**

Dar es Salam port project. Improvement of the transit goods handling facilities, for the Central Corridor transports. Supply of equipment and T.A. 2 mECU. Project on appraisal. Int. tender foreseen on March 83 conditional upon provisional finance. 5th EDF.

TANZANIA — UGANDA

Transport project Lake Victoria. Improvement of the existing wagon ferry terminal facilities in Jinja, Mwanza, Bukoba and Musoma ports. 2 mECU. Project on appraisal. Int. tender foreseen on March 83 conditional upon provisional finance. 5th EDF.

MEDITERRANEAN COUNTRIES

ALGERIA

Scientific cooperation programme with O.N.R.S. and trainers' training. Resp. Auth.: Ministère de l'Enseignement Supérieur et de la Recherche Scientifique (M.E.S.R.S.) 4.3 mECU. Scholarships, T.A. experts and supply of equipment. For scientific equipment int. tender foreseen in 83.

Rural managers' training. Resp. Auth.: Ministère de l'Agriculture, de la Révolution Agraire et des Forêts. 4 mECU. T.A. with trainers and technical equipment. Supplies: direct agreement. T.A.: short-list already drawn up.

CYPRUS

Nicosia drainage system, phase II. Resp. Auth.: Nicosia Sewage Board for southern area, Dept of Water, Geology and Mines for northern area. Total estimated cost 11.12 mECU: EEC 7.5 m (Commission 4.5 m, EIB 3 m) local contribution 3.62 m. Supplies, works and TA, acc. procedure for public works. Date financial decision November '82.

EGYPT

Soil improvement programme in Kafrel-Sheikh Governorate. Resp. Auth.: Executive Authority for Land Improvement Projects (EALIP). Provisional amount 8 mECU. To reclaim an area of 65 000 acres of saline soil, located in Hamoul district of the Kafrel-Sheikh Governorate. Short-list already drawn up. Date financial decision November '82.

Improved of agricultural input storage facilities in the Daqhalia Governorate. Resp. Auth.: Principal Bank for Development and Agricultural Credit. EEC Contribution 6 mECU. Construction of 13 new ware houses on prefabricated steel of 1 700 m² each providing a total capacity of 27 000 T. Works: int. tender in '83.

Helwan waste water Project. Resp. Auth.: Cairo waste water organization. Estimated Cost 125.04 mECU. EEC Contribution estimated 31.54 mECU. Netherlands 4.32 mECU. Construction of a sanitation system within an area of 9.500 ha. Collector mains, pumping stations and treatment works. Works and supplies: int. tender launched February 1983.

Intervention programme for investments promotion and for cooperation at companies level. Resp. Auth.: Ministry of Economy and External Trade, Ministry of Industry and Mineral Resources. 2 mECU. T.A., training and investment promotion. Project on appraisal.

Egyptian Renewable Energy Development Organisation. EREDO. Resp. Auth.: Egyptian Government. Estimated total cost 10.74 mECU. EEC contribution 7.7 mECU. Construction and equipment for the centre. Works and supplies: int. tender in '83. Date foreseen for financial decision 2nd quarter 83.

JORDAN

2 Trade Training Centres (TTC). Resp. Auth.: National Planning Council (NPC) and Vocational Training Corporation. Cost estimate 1.2 mECU for EEC. The TTCs offer apprenticeship in cooperation with local trade and industry. One TTC for about 400 boys at Zarqa. One TTC for about 400 girls in Amman. Buildings to be financed by Jordan. Training and TA programmes also. Study to identify and define project, TEMA Consultant (I). Supply: int. tender for Zarqa launched February '82. Project in execution.

Faculty of Engineering and Technology. University of Jordan. Resp. Auth.: Ministry of Education. EEC-Contribution: 6.68 mECU. Supply of Laboratory and workshop equipment and T.A. over 5 years. Jordanian Government will finance buildings. Supplies: int. tender launched June '82. Project in execution.

Jordan Valley Transplant Production Unit. Resp. Auth.: Jordan Valley Authority. Estimated total cost 2.210 mECU, EEC part 0.95 mECU. Supplies, construction greenhouses, irrigation. T.A. Supply: int. tender, launched June '82. T.A.: short list already drawn up.

LEBANON

Industrial planning and industrial census. Resp. Auth.: Ministère de l'Industrie. 0.518 mECU. Foreign expert to supervise local experts for census. Mission in Lebanon 2 months EEC contribution covers all expenses for foreign expert and $\pm 50\%$ of total cost of the project. Project on appraisal.

Aid for the Union Nationale de Crédit Coopératif (UNCC). 1.4 mECU. Line of credit to the UNCC and T.A.

Document automatization for the Chambre de Commerce et de l'Industrie de Beyrouth (CCIB). Resp. Auth.: C.C.I.B. 0.24 mECU. Supply and T.A. For equipment int. tender in '83. Date foreseen for financial decision 1st half '83.

MALTA

Coastal maritime radio station. Installation, building, supplies and operational link-up, training. Estimated cost 1.75 mECU. Date financial decision November '82.

Upgrading St Lukes's Hospital radiology department. Training, TA and supply of equipment. Estimated cost 1.23 mECU. Date financial decision November '82.

MOROCCO

Interventions for Laboratoire de Technologie des céréales de Rabat. Resp. Auth.: Ministère de l'Agriculture. 0.790 mECU. Equipment, T.A. and training. Supply by restr. tender or direct agreement. T.A.: short-list not yet drawn up.

SYRIA

Scientific and Technical Cooperation with CERS. (Centre d'Etudes et de Recherches Scientifiques.) EEC part 4.820 mECU. Studies, T.A., training and supply of scientific equipment. Last int. tender launched January '82 for teledetection.

Assistance to the Damascus and Aleppo Intermediate Institutes of Technology. (CIIT.) 4 mECU. Supply of equipment, T.A. and training. Supply: int. tender launched end of November 82.

TUNISIA

Participation to create 3 Training Vocational Centres: in Nabeul, Menzel-Bourguiba, Zaghouan. Resp. Auth.: O.T.T.E.E.F.P. (Office des Travailleurs Tunisiens à l'Etranger de l'Emploi et de la Formation Professionnelle.) EEC Contribution 3.870 mECU. Supply of equipment, T.A. and training. Supplies: int. tender for Menzel-Bourguiba launched October 82. T.A.: A.A.B. (D). Project on appraisal.

TURKEY

Beypazari Lignite Project. Resp. Auth.: T.K.I. Estimated Cost 55.7 mECU. EEC 22 mECU, Local 33.7 mECU. EEC part: Equipment supply for: development, mechanised face, conventional face and auxiliary. Equipments: int. tender in '83.

Electricity Transmission Line Project. Resp. Auth.: Turkish Electricity Authority. (TEK). Estimated cost 72 mECU. EEC 16 mECU. Upgrading of existing transmission lines and supply of equipment. Construction of new transmission lines. Italian aid foreseen for 5.2 mECU. Supply and works: int. tenders in '83.

Beypazari Lignite Project - T.A. Resp. Auth.: T.K.I. 2.6 mECU. T.A. with 7 experts. T.A. and training in '83.

Non-associated developing countries

ANGOLA

Rehabilitation of ARAN and SOMAR Fish Processing Plants at Moçâmedes.

Resp. Auth.: Ministerio das Pescas. 2.250 m ECU. T.A. and equipment for SOMAR and equipment, supervision of works and T.A. for ARAN. Date financial decision December 82.

★ **Integrated fishery and fish processing plant in the province of Namibe.** Resp. Auth.: Ministerio das Pescas. 6.5 mECU. Rehabilitation, equipments and T.A. Date foreseen for financial decision April 83.

MOZAMBIQUE

Artisanal Fisheries Development. Resp. Auth.: Secretary of State for Fisheries. 2.958 m ECU. Provision of fishing material and other supplies for artisanal fisheries. T.A. Date financial decision December 82.

★ **Potatoes seed production project.** Resp. Auth.: Ministry of Agriculture. 7.100 mECU. Works, supplies, equipments, training and T.A. Supplies: int. tender. Date foreseen for financial decision April 83.

BANGLADESH

Tea rehabilitation project. Resp. Auth.: Bangladesh Tea Board (BTB). EEC 6.6 mECU, UK and Local 55.68 mECU. Purchase of machinery for tea factories. Call for quotation in EEC member states and Indian subcontinent in 1983.

Cotton Development project. Resp. Auth.: Cotton Development Board. Estimated Cost: 13.5 ECU. EEC 6.5 mECU, Local 7 mECU. Supply of equipment, T.A. Works. T.A.: Agropgress (D). Supply int. tender in '83.

Small scale irrigation sector project. Resp. Auth.: Bangladesh Water Development Board (BWDB). Estimated total cost 82 mECU. EEC contribution 12 mECU. Cofinancing with ADB (Asian Dev. Bank). Works, supply of equipment and vehicles, T.A. and supervision. Works: acc. tender. Supplies: int. tender. 1st half '83.

Building of storage for fertilizers. Resp. Auth.: Bangladesh Development Corporation (BADC). Cofinancing: EEC and Netherlands. Total cost 4 mECU. EEC 2 mECU Netherlands 2 mECU. EEC part: Works by int. tender. Netherlands part: buildings and T.A.

Bhola Irrigation Project. Resp. Auth.: Bangladesh Water Development Board (BWDB). Estimated total cost 44.4 mECU. EEC 3 mECU. Parallel cofunding with A.D.B. (Asian Dev. Bank). Works, equipment and supply of vehicles, pumps and fuel. T.A. and training. Date financial decision December '82.

BHUTAN

Plant protection services. Resp. Auth.: Ministry of Development (Agricultural Department). 3.4 mECU. Building of laboratories, equipments training and T.A. Works: acc. tender. Supplies: int. tender or direct agreement. Date financial decision December '82.

BURMA

Palm oil development. Resp. Auth.: Ministry of Agriculture and Forest. Estimated cost: 16.3 mECU. Financing: EEC 4.9 mECU. Switzerland and local 11.4 mECU. Expanding production for domestic consumption. Supplies and T.A. Supply: int. tender in '83. T.A.: shortlist already drawn up.

INDONESIA

Baturraden Dairy Development. Resp. Auth.: D.G. for livestock services. Estimated cost: 8.385 mECU. EEC 4.4 mECU, Italy 0.410 mECU. Construction, infrastructure, supply of equipment, T.A. Works and supplies: int. tender 1st half '83. T.A.: IFA-GRARIA (I).

Bali Irrigation Sector Project. Resp. Auth.: Ministry of Public Works. DG for Water Resources Development. EEC 12 mECU. ADB ± 37 mECU. Local ± 55 mECU. Rehabilitation and expansion of 50 village-level irrigation scheme, establishment of a water-management training centre, and establishment of climatological stations. T.A. Works: acc. tender.

T.A. to Bank Indonesia for SEDP II. Resp. Auth.: Bank Indonesia. Total estimated cost 12.5 mECU. EEC 8.3 mECU. Local 4.2 mECU. Expatriates and local consultants. T.A. and training in Bank Indonesia regional offices to implement Bank's large ongoing programme of small-scale credits. Consultants will be contracted by Bank Indonesia, after approval by the Commission, on the basis of tender or mutual agreement procedures. Date financial decision December '82.

Pilot Project for Artisanal Fisheries in East Java. Resp. Auth.: Directorate General of Fisheries (DGF). Total cost 4.880 mECU. Parallel cofinancing with Italy. EEC 3.178 mECU. Italy 0.876 mECU, Local 0.826 mECU. Works, equipment and supplies. Works by direct labour. Supplies: int. tender and direct agreement. Supply of refrigeration equipment: Italy. T.A.: direct agreement. Date financial decision December '82.

INDIA

Cyclone Protection Shelters, Tamil Nadu Phase III. Resp. Auth.: Directorate of Town and Country Planning. State Government of Tamil Nadu. 1 mECU. Works: Acc. tender. Date financial decision November 82.

Cyclone Protection Shelters, Andhra Pradesh, Phase II. Resp. Auth.: Cyclone Rehabilitation Housing Project. State Government of Andhra Pradesh. 3 mECU. Works: Acc. tender. Date foreseen for financial decision November 82.

★ **Supply of fertilizers.** Resp. Auth.: Minerals and Metals. Trading Corporation of India. MMTC. 45 mECU. Int. tender in '83. Date foreseen for financial decision April or May 83.

PAKISTAN

Emergency Programme-drinking water supplies for refugees areas (NWFP). Resp. Auth.: UNICEF. Estimated Total Cost 6 mECU. EEC 2.7 mECU. Cofinancing with Unicef. Supplies, drilling works, T.A. Supplies: int. tender. Drills: acc. tender. Works: direct labour.

Solar energy for rural areas. Resp. Auth.: Ministry of Petroleum and Natural Resources (DGER). EEC 1.8 mECU. Supply of solar power stations. Int. tender foreseen 1st half '83.

Karachi fishing port. Resp. Auth.: Fishery department of the Sind Province. Estimated cost 12 mECU. New facilities: quay, boat repair yard, fish-shed, dredging. Rehabilitation of existing facilities, equipments and TA. TA: int. tender after prequalification. Works and supplies in '83.

SRI LANKA

Integrated rural development in the Mahaweli Ganga region. Resp. Auth.: Mahaweli Development Board (MDB). Estimated cost 9 mECU, EEC 2 mECU. Development of 2 326 ha irrigated land and rehabilitation of 1 910 ha deteriorated land. Socio-economical infrastructure to allow settlement of 12 000 rural families. TA: FAO. Project in execution.

Eastern Region rehabilitation project. Ministry of Coconut Industries. EEC 3 mECU, Italy 0.375 mECU, small UK and FAO contributions, balance up to 7 mECU financed by Sri Lanka government. Rehabilitation of coconut plantations devastated by a cyclone and diversification of agriculture in the same region. Feasibility study financed by Italian bilateral aid executed by AGROTEC (I). Works: direct labour. Project in execution.

THAILAND

Cooperation training and marketing. Resp. Auth.: National Economic and Social Development Board (NESDB) and Bank for Agriculture and Agricultural Cooperation (BAAC). EEC 3.037 mECU. To provide training facilities for the personnel of agricultural cooperatives and equipment for cooperative marketing unit. Int. tender in '83 for supplies. T.A.: Clear unit (UK).

Rubber smallholdings yield improvement. Resp. Auth.: Rubber Research Centre (RCC). Ministry of Agriculture and Cooperatives. EEC 1.8 mECU, Local 1.8 mECU. To introduce and popularize new tapping techniques to improve the yield of old rubber trees before their felling. TA: Harrison Fleming (UK). Supplies: int. tender launched November 82. Tenders in mid '83, '84.

Seed production centre for the Southern Region. Resp. Auth.: Ministry of Agriculture. Estimated Cost: 3 mECU. EEC 2.2 mECU. Construction of a centre for the production and distribution of improved qualities of rice seeds. Equipments and T.A. Works and infrastructure: acc. tender.

Equipments: int. tender in '83. T.A.: Euro-consult (NE).

Oilseed Crop Development Programme. Resp. Auth.: Ministry of Agriculture — Oil seed Project Steering Committee. Total estimated cost 4.2 mECU. EEC 3.3 mECU. T.A. and supply of equipment. T.A.: Short-list not yet drawn up.

Sukhothai groundwater development. Resp. Auth.: Ministry of Agriculture — Royal Irrigation Department (R.I.D.). Total cost 25.600 mECU. Parallel cofinancing with UK. EEC 13.40 mECU, UK 1.30 mECU. Local 10.90 mECU. EEC contribution: pumps, vehicles and instrumentation, casing, screening and PVC piping and short term T.A. Int. tender and direct agreement. UK contribution full cost of longterm and shortterm T.A. for project guidance and supervision. Local: works except drills, T.A. local costs and operating costs. Date financial decision December '82.

THE PHILIPPINES

Crop protection Programme. Resp. Auth.: Ministry of Agriculture. Estimated cost: 8.596 mECU. EEC 3.5 mECU, F.R.G. and Local 5.096 mECU. Strengthen and expand the existing crop protection service. Works and supplies (vehicles and equipment). Way of execution to be determined.

Palawan Integrated Area Development. Resp. Auth.: National Council on Integrated Area Development (NACIAD). Total cost 78 mECU, EEC contribution 7.1 mECU, ADB 43.05 mECU and GOP 27.85 mECU. Small-scale irrigation works, agricultural intensification and diversification, livestock, transport development, health facilities, training and monitoring. Project duration 1982-1988. Works: partly int. tender, partly direct agreement or acc. tender. Supplies: int. tender or direct agreement. Administrative arrangements, excluding EEC int. tenders, concern full responsibility of ADB. T.A.: short-list already drawn up.

ASIAN DEVELOPMENT BANK (ADB)

Study programme — ADB. Resp. Auth.: ADB. EEC 1 mECU. Studies in the Asian non associated countries. Contrast awarded after int. tender concerning EEC consultants and non associated eligible consultants.

ASEAN

Regional collaborative programme on grain post-harvest technology. Resp. Auth.: Sub-committee on Food Handling (SCFH). Cost 4.3 mECU. EEC 4.3 mECU. T.A., training and research. For supplies: int. tender or direct agreement to be determined. T.A. to be decided by S.C.F.H. Short-list not yet drawn up.

DOMINICAN REPUBLIC

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Instituto Agrario Dominicano (I.A.D.). Total cost 13.6 mECU, EEC 12 mECU, Local 1.6 mECU. In-

frastructure, equipments, T.A. and training. Supplies: int. tender or acc. tender or direct agreement. Works: direct labour or acc. tender. T.A.: direct agreement. Date financial decision December '82.

OLADE (LATIN AMERICAN ORGANIZATION FOR ENERGY DEVELOPMENT)

Pre-feasibility study for geothermics in Haiti. Resp. Auth.: OLADE. EEC 0.530 mECU, Haiti 0.070 mECU. Contracts by direct agreement following EEC regulations.

HAITI

Integrated rural development of Asile region. Présidence de la République. Estimated cost: 12 mECU. Foreseen financing: EEC 5 mECU, IDB 7 mECU. Feeder roads, rural monitoring, irrigation, social infrastructure. Works by direct labour. Supply: int. tender in '83.

Integrated rural development of Jeremy region. Resp. Auth.: Présidence de la République. Total cost 7.4 mECU, EEC 6.6 mECU, Local 0.800 mECU. T.A. works, equipments and training. T.A.: contracts made by the Commission after government agreement. Supplies: int. tender. Works: direct labour. Date financial decision December '82.

HONDURAS — COSTA RICA

Regional grains stocking and trading programme. Resp. Auth.: (Banco Centroamericano d'integración economica). Total cost: 21.43 mECU. Financing: EEC 1.80 mECU, IDB 15.18 mECU, BCIE — BANAFOM — CNP 4.45 mECU. In Honduras building of 6 complementary grain-stores, in Costa Rica 7 grain-stores with a capacity of 46 000 tons (total). IDB envisages partial relocation of Costa Rica project for Nicaragua.

NICARAGUA

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Ministerio de la Agricultura e de la Reforma Agraria (MIDINRA). Total cost 12 mECU. EEC 9.8 mECU. Local 2.2 mECU. Infrastructure, equipments and T.A. Equipments: int. tender. T.A.: direct agreement. Date financial decision December '82.

Waslala regional development. Resp. Auth.: MIDINRA. Total cost 8.5 mECU. EEC 3.5 mECU. Local 5 mECU. Road infrastructure and social. Supply of agricultural equip-

ment. T.A. Roads by direct labour. Supplies: int. tender or acc. tender or direct agreement. T.A.: direct agreement. Works: direct labour or acc. tender. Date financial decision January '83.

Crop development. Resp. Auth.: Ministerio de la Agricultura e de la Reforma Agraria (MIDINRA). Total estimated cost 19.930 mECU. EEC 7.400 mECU. Studies, monitoring, training, supply of equipment and T.A. Supply: int. tender or acc. tender according to importance or urgency. Contracts: direct agreement by MIDINRA on short-lists from Commission of EC.

NICARAGUA — HONDURAS

Bridges reconstruction. Resp. Auth.: Ministry of Public Works. 3.2 mECU. Reconstruction of 3 bridges. Works, T.A. and site supervision. Date financial decision December '82.

BOLIVIA

Irrigation Programme Altiplano-Valles (Cochabamba). Resp. Auth.: Service National de Développement Communautaire (S.N.D.C.). Cost: 9 mECU. EEC 2 mECU, KFW (F.R.G.) 6 mECU, Local 1 mECU. Construction of small dams and irrigation canals. Works by direct labour. (Outstanding project).

HONDURAS

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Instituto Nacional Agrario (I.W.A.). Total cost 17.7 mECU. EEC 16.9 mECU. Local 0.8 mECU. Infrastructure, supplies, equipments and T.A. Works by direct labour or acc. tender. Supplies: int. tender or acc. tender or direct agreement. T.A.: direct agreement. Date financial decision December '82.

COUNTRIES MEMBERS OF PACTO ANDINO

Technical cooperation (industry and economical planning). Resp. Auth.: Junta del Acuerdo de Cartagena, Lima-Peru. Estimated total Cost: 1.7 mECU. EEC 1.1 mECU. To place experts, equipment and T.A. and training at Junta's disposal. Contracts T.A. and experts by the Junta and the Commission of EC.

Andean Programme for technological development (Rural PADT). Resp. Auth.: Junta del Acuerdo de Cartagena, Lima-Peru. Estimated total Cost: 7.560 mECU. EEC 3.927 mECU. Supply of equipment, training and T.A. Vehicles purchase: int. tender.

T.A.: Short-lists to be drawn up by the Commission of EC and decision by the Junta.

Energy cooperation. (Analysis and planning). Resp. Auth.: Junta del Acuerdo de Cartagena. Total estimated cost 0.66 mECU. EEC 0.50 mECU. T.A. and Training.

Applied agricultural research (maize and corn). Resp. Auth.: CIMMYT (Centro Internacional de Mejoramiento Maiz y Trigo) Mexico — Decentralized actions in the andean region. Research and training. 2 mECU. Date financial decision December '82.

COSTA RICA

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Ministerio de la Agricultura. Total cost 25.8 mECU. EEC 18 mECU. Local 7.8 mECU. Infrastructure, equipment and T.A. Works by direct labour or acc. tender. Supplies: int. tender or acc. tender or direct agreement. T.A.: direct agreement. Date financial decision December '82.

CENTRAL AMERICAN ISTHMUS (HONDURAS — PANAMA — NICARAGUA — COSTA RICA)

Support for peasant producer association. Resp. Auth.: Instituto Interamericano de Ciencias Agrícolas (I.I.C.A.). Total cost 2.9 mECU. EEC contribution 1.6 mECU. Parallel cofinancing with the French Republic and the governments concerned. T.A. and training. T.A. contracts decided by IICA on basis EEC short-list.

YEMEN ARAB REPUBLIC (YAR)

Seed production project. Resp. Auth.: central Agricultural Research Station (CARS). Total cost 6.600 mECU. EEC 5.200 mECU. Construction of 5 centres, supply of equipment, T.A. and training. Works: acc. tender. Supplies: int. tender or direct agreement according to importance. T.A.: K.W.S. (D).

YEMEN (PEOPLE'S DEMOCRATIC REPUBLIC)

Flood damage reconstruction Dhalla. Resp. Auth.: Ministry of Agriculture. Irrigation Department. 2.5 mECU. Reconstruction of flood damaged irrigation systems and open wells. Installation of flood-warning system. Supply of equipment. T.A. equipment: int. tender T.A.: on proposal of the Commission after agreement by PDRY Government. Date financial decision December '82.

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have a major influence on political behaviour. Hence his analysis of Nigerian politics and government is not merely a distinguished account of government structures and functions; it is also an assessment of the performance of the governments from the perspective of the peoples' values and how well the interests of the common man are being served in a political system.

With this approach to politics, Professor Dudley examines in detail the events and politics of the First and Second Republics, the military governments and the return to civilian rule. Special attention is drawn to Nigeria's economic development and her role in international politics.

Fully documented by economic, social and political statistics, this book provides the essential insight for students and interested readers of Nigerian, and indeed, of African politics.

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Phytosanitary index France-Africa
— ACTA, 149 rue de Bercy, 75595, Paris Cedex 12 — 1982

An analytical Index of chemical compounds used for crop protection have been published by ACTA (Association de Coordination Technique Agricole).

This pesticide handbook (France-Africa) is attractively divided into two main parts:

The first part is a metropolitan pesticide handbook with active components and commercial pesticides registered by the French registration Service (2000 pesticides).

The second part is a handbook of pesticides distributed in African countries which have not met the French regulation (about 1000 commercial products).

Arranged in alphabetical order, the reader can find conveniently the composition and the description of the pesticides, the name and address of the companies producing and developing them.

These are comments on the properties of the products, the safety precautions toxicity in the French section etc.

The part "Mediterranean and tro-

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pical crops" with English sub-titles and heads of paragraphs, has been compiled with the help of phytosanitary experts of CNEARC (Centre National d'Etudes Agronomiques des Régions chaudes — Montpellier France), of GERDAT (Groupement d'Etudes et de Recherches pour le Développement de l'Agronomie Tropicale) and of different research institutions which form it.

This issue, by the quality of its up-to-date information, has become an essential reference book for all those involved in the use for phytosanitary products on tropical crops.

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Pierre GOUROU — Terres de bonne espérance, le monde tropical
Lands of good hope, the tropical world) — Terres humaines, Editions Plon — 1982.

Warm and rainy, the tropical world is the victim of some absurd prejudices. They must be cleared up. For instance, the tropics are commonly considered a hostile environment: numerous diseases sap the strength of their people, who are further discouraged from work by the humid heat; the land is believed barren; the "virgin" forest is a "green hell".

Large areas of the tropics are cer-

tainly unhealthy and sparsely populated; standards of living are often low and societies technically backward. But this author believes that such first impressions, encouraged by "anti-tropical racism", can only be revised on closer examination, based on first-hand knowledge of particular geographical areas and on the history of their people.

Great civilizations have arisen among the densely-populated lands of South-East Asia, even if isolation meant lingering backwardness. The death rate in Europe was dreadfully high during long periods of history; decisive progress in medicine made itself felt in the 19th century, but modern health care was late in reaching the tropics. Now, there is immense progress and effective medical administration can transform tropical conditions.

The rain and the heat can be seen as great renewable resources, available the year round. For more land could be farmed and irrigation can greatly increase the yields. The tropics could not only feed their people abundantly but also provide food for the world. The Third World could be the store-house of the planet.

Yet, for that to happen, development must be thought out again, its methods redesigned and adequate techniques of training and production at last applied. So "development" is the key word. How? With whom? Why? The future of farming in the 21st century lies in the tropics.

Pierre Gourou is a tropical specialist and this book gives a great deal of hope. He is one of the most eminent figures in French geographical circles. This book is the summary of his thinking.

THE COURIER

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Back cover: *Shaba is not only the economic heart of Zaire, it is also an important tourist area. Its climate is pleasant, even for termites whose huge mounds are in themselves a tourist attraction (photo). Fortunately they do not hinder agricultural production*

